

U.S. Direct Investments Abroad in 1970

The value of U.S. direct investments abroad increased by a record \$7.1 billion in 1970 to \$78.1 billion at yearend. The increase reflected large capital outflows and substantial reinvested earnings of foreign affiliates. Corporate claims other than direct investments rose slightly. On the other hand, the U.S. share of earnings of foreign affiliates and fees and royalties from affiliates totaled \$10.8 billion, while U.S. corporations borrowed \$2.9 billion abroad. The net flow resulting from these identifiable transactions by U.S. corporations had a net favorable balance of payments impact of \$6.1 billion in 1970.

THE book value of U.S. direct investments abroad increased by a record \$7.1 billion in 1970 to \$78.1 billion at yearend, when it accounted for 47 percent of the value of all U.S. foreign assets (see "The International Investment Position of the United States, Developments in 1970," p. 19). The large 1970 increase, \$1.0 billion greater than in 1969, resulted primarily from accelerated outflows of direct investment capital which totaled \$4.4 billion in 1970. (The total includes financing of direct investments through the use of both funds raised in the United States and funds raised abroad by U.S. corporations.) Reinvested earnings of U.S.-owned foreign corporations totaled \$2.9 billion in 1970, a small increase over 1969. Valuation adjustments, mostly associated with liquidations of existing holding, resulted in a net reduction in the investment position of \$0.2 billion in 1970; in 1969 such adjustments resulted in a \$0.2 billion increase in the investment position.

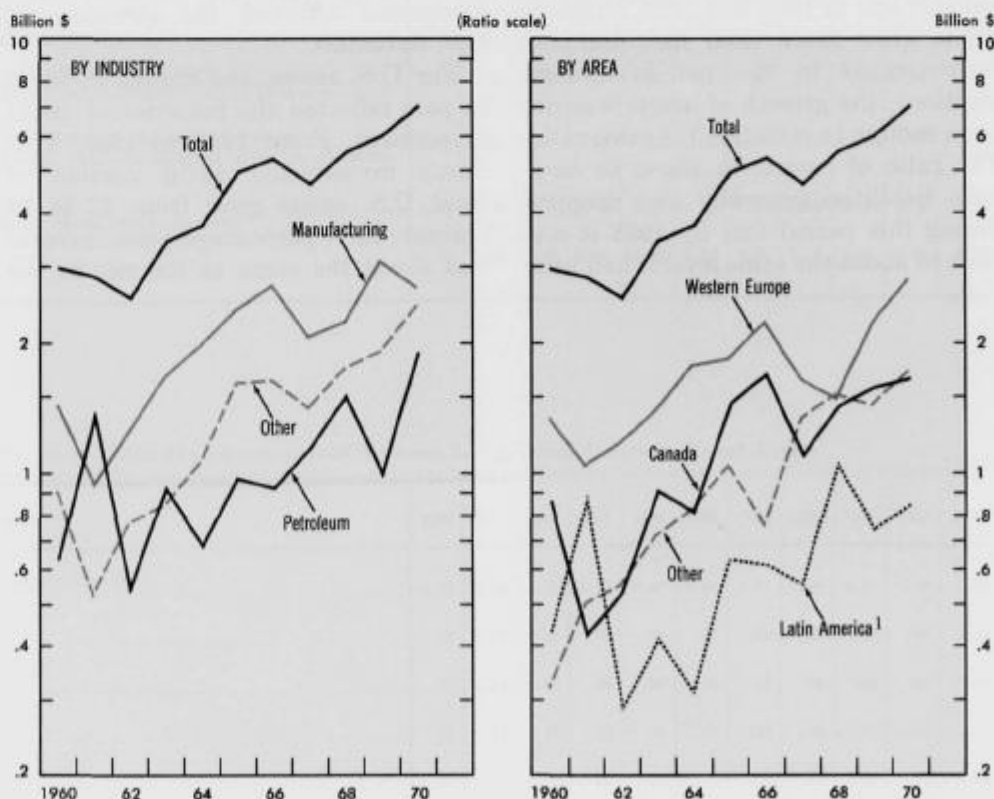
NOTE.—Data for this article were prepared under the supervision of Julius N. Freidlin with significant contributions from Zalie V. Warner, Richard L. Smith, and Helen R. Goswellen.

Most of the increase in direct investments took place in the developed countries, with manufacturing affiliates receiving the major share (table 2). Direct investment capital outflows were substantially larger in 1970 than in 1969 for most area and industries, while additions to investments through reinvested earnings showed considerable industry and area variation. There was a sharp decrease in reinvested earnings of manufacturing affiliates as earnings were held down by a widespread economic slowdown, particu-

larly in developed countries, but income paid out from earnings in the form of interest, dividends, and branch earnings grew. Petroleum affiliates, on the other hand, had an increase of \$0.5 billion in reinvested earnings; earnings rose by about that amount and income showed little change. Earnings of petroleum affiliates rose despite higher costs in producing areas (developing countries) as these increased costs were offset by higher prices in consuming areas (developed countries).

CHART 10

Annual Additions to Direct Investments Abroad by Industry and Major Area



1. Includes "other Western Hemisphere".

U.S. Department of Commerce, Office of Business Economics

* 71-16-10

Table 1.—Flows of Selected U.S. Corporate Funds Related to Direct Investments Abroad—Changes in Foreign Assets and Liabilities, Adjusted Earnings, and Fees and Royalties

(Millions of dollars)

Item, debits (-), credits (+)	Total					Western Europe				
	1966	1967	1968	1969	1970	1966	1967	1968	1969	1970
Net flow.....	2,332	3,122	5,536	5,753	6,764	-20	537	3,065	2,603	3,099
Change in direct investment position.....	-5,335	-4,882	-6,492	-6,033	-7,074	-2,249	-1,679	-2,683	-2,343	-2,823
Balance of payments flows.....	-3,861	-3,137	-3,200	-3,254	-4,403	-1,834	-1,416	-1,081	-1,300	-1,004
Reinvested earnings.....	-1,739	-1,088	-2,175	-2,604	-2,625	-435	-289	-460	-803	-104
Other adjustments.....	75	43	-108	-175	234	20	67	-40	-141	87
Other corporate claims.....	-434	-596	-992	-386	-289	-444	-221	-738	364	275
Long-term.....	-112	-281	-220	-424	-201	-70	-78	-149	-181	-24
Short-term: Liquid.....	-153	-120	-408	333	351	-283	-97	-476	469	315
Nonliquid ¹	-169	-199	-274	-266	-350	-102	-42	-115	-168	-64
Corporate liabilities other than new issues of securities.....	459	448	1,138	984	2,068	371	325	1,441	831	1,755
Long-term.....	180	85	716	704	1,163	192	84	706	647	1,019
Short-term ¹	279	363	424	280	905	179	241	433	184	697
New issues of securities sold abroad by U.S. corporations ²	594	445	2,139	1,629	232	854	445	2,120	1,629	522
Of which: Used for direct investment.....	-445	-678	-785	-681	-374	n.s.	n.s.	n.s.	n.s.	n.s.
Deposited abroad (short-term corporate claims).....	-149	-80	-1,154	-187	-65	n.s.	n.s.	n.s.	n.s.	n.s.
Adjusted earnings ³	5,784	6,115	7,148	6,262	8,911	1,864	1,135	1,563	1,801	2,332
Reinvested earnings.....	1,739	1,088	2,175	2,604	2,625	435	289	456	893	854
Direct investment interest, dividends, and branch earnings.....	4,045	4,517	4,973	3,658	6,286	728	840	905	1,008	1,378
Direct investment fees and royalties.....	1,329	1,438	1,516	1,603	1,890	664	585	829	716	782
Offset to "other adjustments" in direct investment.....	-75	-43	108	175	-234	-20	-67	40	141	-87

N.A. Not available.

1. Excludes brokerage claims and liabilities.

2. Excludes funds obtained abroad by U.S. corporations through bank loans and other credits and also excludes securities issued by subsidiaries incorporated abroad. However, securities issued by finance subsidiaries incorporated in the Netherlands Antilles are treated

as if they had been issued by U.S. corporations to the extent that the proceeds of such issues are transferred to U.S. parent companies.

3. For a discussion of this concept see the technical appendix.

4. Excludes an increase in U.S. corporate long-term claims of \$288 million that was associated with increased foreign direct investment in the United States.

Table 2.—Change From Preceding Year in U.S. Direct Investments Abroad, Selected Data Items, Areas, and Industries

(Millions of dollars)

Area, country, and industry	Book value at yearend		Net capital outflows		Reinvested earnings		Earnings		Interest, dividends and branch earnings	
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Total.....	6,833	7,074	36	1,149	489	291	1,105	685	585	360
By area:										
Developed countries.....	4,386	4,225	256	1,893	643	-75	741	521	108	653
Canada.....	1,592	1,573	68	244	186	-145	106	26	-59	216
Europe.....	2,243	2,821	208	690	437	61	557	297	133	340
United Kingdom.....	499	825	-47	290	-10	85	-1	80	67	43
European Economic Community.....	1,243	1,460	229	311	396	-55	402	300	25	314
Other Western Europe.....	506	535	23	88	102	81	154	7	50	-17
Japan.....	194	247	11	43	1	14	18	35	10	24
Australia, New Zealand, and South Africa.....	357	484	-11	110	40	-4	81	65	53	79
Less developed countries.....	1,292	1,312	-341	161	5	73	315	-71	125	-158
Latin American Republics and other Western Hemisphere.....	740	643	-302	194	18	26	72	-168	59	-196
Other Africa.....	240	365	-121	125	16	28	113	23	87	-14
Middle East.....	184	180	7	-181	-89	15	62	23	126	19
Other Asia and Pacific.....	303	306	76	10	34	-4	69	41	43	42
International, unallocated.....	354	478	129	-94	-249	289	30	155	213	-127
By industry:										
Mining and smelting.....	223	479	-364	392	33	-54	-18	-20	20	-55
Petroleum.....	995	1,006	-312	973	-298	525	3	488	387	-35
Manufacturing.....	3,113	2,704	215	168	678	-408	766	37	73	581
Other industries.....	1,701	1,083	307	108	18	275	384	90	227	-44

NOTE.—For an explanation of the relation between earnings, reinvested earnings, and interest, dividends, and branch earnings see the technical appendix.

Table 3.—Selected Data on U.S. Direct

[Millions]

Area and year	Total, all industries					Mining and smelting				
	Book value at year end ¹	Net capital outflows	Reinvested earnings ²	Earnings	Interest, dividends, and branch earnings	Book value at year end ¹	Net capital outflows	Reinvested earnings ²	Earnings	Interest, dividends, and branch earnings
Americas:										
1963	40,734	1,976	1,607	4,687	3,129	3,418	85	66	355	221
1964	44,480	2,238	1,431	5,071	3,674	3,668	135	104	512	483
1965	48,474	2,486	1,642	5,460	3,963	3,931	138	126	571	442
1966	54,799	2,661	1,739	5,702	4,046	4,368	306	120	650	524
1967	58,491	2,137	1,898	6,034	4,618	4,670	340	134	745	546
1968	64,983	2,209	2,174	7,022	4,973	5,435	440	184	796	644
1969*	71,016	2,264	2,604	8,129	5,329	5,688	78	167	733	644
1970*	78,006	4,483	2,884	8,733	5,094	6,137	279	138	735	600
Canada:										
1963	13,844	365	533	948	455	1,549	7	48	127	80
1964	13,856	283	500	1,106	634	1,713	51	73	191	119
1965	14,318	927	640	1,309	703	1,851	51	66	198	110
1966	17,017	1,162	577	1,237	786	2,069	172	67	191	126
1967	18,182	903	644	1,327	790	2,342	178	82	248	144
1968	19,936	426	772	1,480	881	2,688	196	208	275	160
1969*	21,137	671	937	1,506	762	2,789	54	77	225	182
1970*	22,801	916	791	1,622	972	3,014	186	67	294	201
Europe:										
United Kingdom:										
1963	4,172	124	219	378	169	2	(3)	(3)	(3)	(3)
1964	5,555	214	187	475	261	2	(3)	(3)	(3)	(3)
1965	5,129	317	242	504	270	2	(3)	(3)	(3)	(3)
1966	6,579	408	196	432	251	3	(3)	(3)	(3)	(3)
1967	8,113	331	81	378	274	2	(3)	(3)	(3)	(3)
1968	8,894	263	211	503	279	2	(3)	(3)	(3)	(3)
1969*	7,390	318	151	402	332	2	(3)	(3)	(3)	(3)
1970*	5,016	642	294	492	378	1	(3)	(3)	(3)	(3)
European Economic Community:										
1963	4,490	488	145	396	233	18	(3)	(3)	(3)	(3)
1964	5,431	806	100	396	270	13	(3)	(3)	(3)	(3)
1965	6,324	857	-3	295	365	18	(3)	(3)	(3)	(3)
1966	7,587	1,149	100	496	321	17	(3)	(3)	(3)	(3)
1967	8,444	803	41	446	356	19	(3)	(3)	(3)	(3)
1968	9,012	488	108	643	434	16	(3)	(3)	(3)	(3)
1969*	10,256	660	503	946	460	17	(3)	(3)	(3)	(3)
1970*	11,406	671	448	1,348	774	16	(3)	(3)	(3)	(3)
Other Western Europe:										
1963	1,678	217	148	223	78	48	(3)	(3)	(3)	(3)
1964	2,153	372	141	289	103	41	(3)	(3)	(3)	(3)
1965	2,658	306	148	277	132	37	(3)	(3)	(3)	(3)
1966	2,967	284	140	293	157	34	(3)	(3)	(3)	(3)
1967	3,389	228	147	317	178	40	(3)	(3)	(3)	(3)
1968	3,701	206	137	323	166	40	(3)	(3)	(3)	(3)
1969*	4,206	265	239	470	245	32	(3)	(3)	(3)	(3)
1970*	4,751	281	270	490	238	35	(3)	(3)	(3)	(3)
Japan:										
1963	472	63	29	46	21	(3)	(3)	(3)	(3)	(3)
1964	566	78	36	40	30	(3)	(3)	(3)	(3)	(3)
1965	575	19	49	21	47	(3)	(3)	(3)	(3)	(3)
1966	798	32	48	61	43	(3)	(3)	(3)	(3)	(3)
1967	870	34	79	123	45	(3)	(3)	(3)	(3)	(3)
1968	1,058	79	104	167	60	(3)	(3)	(3)	(3)	(3)
1969*	1,244	89	105	185	70	(3)	(3)	(3)	(3)	(3)
1970*	1,401	135	118	218	94	(3)	(3)	(3)	(3)	(3)
Australia, New Zealand and South Africa:										
1963	1,783	109	120	228	97	146	12	7	21	13
1964	2,053	157	117	220	104	168	11	11	20	16
1965	2,394	174	89	296	149	227	67	3	42	36
1966	2,455	167	148	282	136	234	77	21	65	30
1967	3,172	264	182	290	136	419	78	14	68	38
1968	3,406	171	184	320	161	446	22	5	64	55
1969*	3,406	160	199	401	214	479	28	13	96	66
1970*	4,248	220	186	466	283	572	78	19	109	87
Latin American Republics and other Western Hemisphere:										
1963	9,941	281	183	1,126	964	1,353	24	8	218	210
1964	10,264	113	250	1,244	1,011	1,404	28	20	266	215
1965	10,596	271	345	1,230	906	1,474	43	26	290	256
1966	11,408	307	343	1,442	1,113	1,503	88	31	319	327
1967	12,049	294	211	1,388	1,180	1,709	71	24	397	365
1968	13,201	677	368	1,374	1,218	1,830	227	6	402	374
1969*	13,441	374	376	1,645	1,277	1,940	-13	43	406	404
1970*	14,683	539	402	1,489	1,081	2,087	132	-24	280	291
Other areas:										
1963	5,166	279	129	1,243	1,093	317	41	5	17	13
1964	5,581	312	122	1,234	1,234	334	3	3	21	17
1965	6,276	362	124	1,418	1,318	335	-12	13	33	22
1966	6,840	167	216	1,489	1,296	354	-5	13	38	27
1967	7,372	578	244	1,746	1,533	345	6	4	35	32
1968	8,353	687	396	2,142	1,777	360	-1	14	59	41
1969*	9,295	789	93	3,374	2,297	398	3	36	64	35
1970*	10,328	633	424	3,616	2,204	443	16	27	69	31

* Revised. * Preliminary. * Less than \$200,000 (±). ** Included in other industries.
1. The value of investments in specified industries and countries is affected by capital flows among foreign affiliates shown in table 4.

2. Represents U.S. owners' share in the reinvested earnings of foreign corporations.
NOTE.—For an explanation of the relation between earnings, reinvested earnings, and interest, dividends, and branch earnings see the technical appendix.

Investments Abroad, by Major Area

(in dollars)

Petroleum					Manufacturing					Other industries					Year
Book value at yearend	Net capital outflows	Re-invested earnings	Earnings	Interest, dividends, and branch earnings	Book value at yearend	Net capital outflows	Re-invested earnings	Earnings	Interest, dividends, and branch earnings	Book value at yearend	Net capital outflows	Re-invested earnings	Earnings	Interest, dividends, and branch earnings	
15,061	838	120	1,624	1,715	14,337	774	871	1,541	686	8,728	289	451	834	437	1963
14,828	750	-35	1,806	1,856	10,325	1,034	934	1,862	893	9,552	308	427	899	522	1964
15,758	977	64	1,830	1,799	19,329	1,635	806	2,023	1,064	10,806	828	967	1,037	628	1965
10,222	886	105	1,808	1,781	22,078	1,732	963	2,104	1,116	12,134	718	630	1,071	924	1966
17,229	1,060	175	2,120	1,950	24,172	1,534	947	2,665	1,353	15,044	694	442	1,112	750	1967
18,887	1,231	289	2,440	2,371	26,414	945	1,281	2,619	1,385	14,248	602	541	1,280	792	1968
19,882	979	-80	2,452	2,458	20,437	1,360	1,839	2,287	1,337	15,945	1,890	667	1,608	1,020	1969*
21,760	1,492	499	2,960	2,603	22,331	1,328	1,471	3,234	1,838	17,035	1,205	882	1,712	978	1970*
3,134	188	66	148	30	4,761	120	336	625	202	3,690	60	81	147	103	1963
3,199	26	54	170	118	6,198	140	259	645	200	2,745	42	84	150	129	1964
3,369	179	66	183	122	6,872	306	298	696	315	3,229	337	106	222	184	1965
3,808	155	91	190	112	7,692	586	278	678	284	3,528	280	111	222	170	1966
3,818	115	83	207	132	8,051	20	354	613	285	3,847	186	125	207	206	1967
4,494	180	167	248	180	8,898	36	412	672	301	4,235	235	151	300	221	1968
4,861	179	95	242	152	9,408	248	599	633	285	4,591	180	186	285	202	1969*
4,559	263	178	318	158	10,060	821	830	640	344	4,027	163	204	301	225	1970*
599	42	36	12	11	2,739	51	159	261	160	540	30	25	62	38	1963
810	39	-20	44	28	2,611	116	184	380	200	632	50	22	74	54	1964
1,063	130	-1	-8	-4	3,306	111	220	410	204	723	85	23	91	70	1965
1,191	126	-8	-26	-15	3,718	269	165	364	206	799	18	25	94	87	1966
1,453	287	-29	-55	-17	3,378	38	111	340	207	802	27	-1	92	84	1967
1,863	184	-31	-49	-15	4,243	134	215	442	205	886	74	15	110	84	1968
1,577	53	-41	-59	3	4,867	117	169	440	220	1,043	148	24	122	92	1969*
1,852	364	-26	-12	40	4,983	108	225	469	223	1,174	141	37	141	103	1970*
1,330	283	-11	47	55	2,823	291	133	246	142	622	44	24	90	33	1963
1,418	227	-80	-28	24	3,129	496	141	379	211	791	109	10	55	41	1964
1,624	140	-45	-32	18	3,724	576	28	362	306	939	141	10	64	43	1965
1,080	297	-90	-30	17	4,404	524	140	413	257	1,166	234	16	61	45	1966
2,085	170	-50	-24	36	4,078	586	104	424	310	1,383	171	-3	47	52	1967
2,146	132	-77	-51	34	5,395	263	367	602	320	1,448	63	18	61	71	1968
2,944	129	-147	-129	29	6,362	385	484	918	342	1,611	146	68	155	89	1969*
2,525	238	37	22	7	7,120	487	828	1,009	640	2,020	377	88	214	119	1970*
561	67	4	8	8	367	52	22	38	13	709	98	123	180	88	1963
904	148	-7	2	13	437	25	35	51	16	981	185	114	185	78	1964
710	69	-4	-3	6	578	74	44	77	23	1,284	100	98	263	106	1965
832	134	-13	-15	2	700	130	60	85	24	1,343	36	93	224	132	1966
906	50	-8	-22	-12	943	141	40	82	44	1,479	62	108	245	140	1967
995	31	-14	-37	-18	1,169	175	51	97	47	1,679	-4	98	263	167	1968
998	38	-0	-3	4	1,330	93	181	169	63	1,825	104	145	328	179	1969*
1,110	121	-31	-25	-7	1,590	121	180	360	62	2,005	30	145	321	178	1970*
260	85	0	11	7	145	19	22	28	7	87	1	1	18	8	1963
315	61	-1	4	9	207	28	33	41	8	77	4	2	15	14	1964
321	-3	30	14	9	270	31	38	56	17	79	2	2	22	21	1965
331	-1	11	16	8	434	23	36	56	18	81	11	2	19	17	1966
347	18	15	21	0	426	31	61	85	23	96	3	3	18	15	1967
485	40	13	20	3	422	11	88	127	37	123	31	4	20	15	1968
447	27	15	19	7	645	39	85	140	46	150	23	5	20	13	1969*
548	65	20	20	0	783	82	79	165	89	168	24	11	31	10	1970*
527	20	16	28	3	681	61	85	165	85	220	0	12	20	15	1963
570	81	6	18	4	1,063	64	100	108	65	263	23	2	22	19	1964
619	43	3	11	5	1,185	48	75	167	79	286	27	17	30	19	1965
645	11	19	22	3	1,320	68	79	181	70	304	12	29	46	17	1966
720	48	22	18	-5	1,499	224	89	175	63	394	23	27	38	22	1967
757	40	23	18	-2	1,838	83	130	193	82	445	26	20	46	29	1968
837	24	38	5	5	2,036	72	126	223	168	614	43	24	37	33	1969*
980	46	29	37	25	2,241	66	126	264	141	627	70	27	65	46	1970*
3,536	5	-11	533	544	3,213	180	00	171	70	2,730	65	87	203	132	1963
3,589	7	2	529	581	3,507	177	151	213	88	2,754	-51	77	190	137	1964
3,545	-74	30	513	479	3,046	248	178	280	125	2,021	57	111	228	139	1965
3,475	-37	2	512	490	3,318	168	209	312	147	3,141	125	108	239	140	1966
3,473	-60	38	618	490	3,585	199	78	280	184	3,282	92	70	213	151	1967
3,880	177	42	631	480	4,003	222	104	409	210	3,480	80	114	243	139	1968
3,722	50	-15	434	472	4,347	183	225	488	237	3,831	180	73	350	164	1969*
3,929	154	86	616	845	4,884	100	200	490	276	4,115	180	153	293	168	1970*
3,310	192	11	1,845	1,008	343	35	35	35	17	1,218	1	95	147	55	1963
3,535	222	-5	1,977	1,131	385	50	31	63	30	1,345	28	105	185	60	1964
4,033	490	-4	1,186	1,100	464	50	24	36	28	1,484	37	91	178	91	1965
4,180	100	50	1,281	1,155	624	40	22	47	20	1,622	33	123	175	55	1966
4,617	445	98	1,453	1,347	629	77	24	60	35	1,770	43	121	180	89	1967
4,285	482	180	1,774	1,614	693	40	26	79	48	2,048	180	110	194	74	1968
4,897	415	8	1,952	1,894	813	73	48	98	47	2,381	254	8	290	252	1969*
6,115	283	177	2,164	2,000	879	14	49	180	52	2,833	210	171	290	127	1970*

Much of this article is devoted to a more detailed discussion (by area and industry) of the increase in U.S. direct investments abroad in 1970, the earnings generated by direct investments and the income received by owners. Preceding that discussion is an analysis of the impact of U.S. direct investments and related transactions (insofar as they can be identified) on the balance of payments.

Direct Investments and Associated Flows

Table 1 presents figures on a number of the important identifiable flows associated with changes in U.S. direct investment assets abroad; it shows how such flows affect the balance of payments as measured on the official reserve transactions basis. Balance of payments signs are used and thus increases in U.S. assets abroad or decreases in U.S. liabilities are shown as minuses. The total change in the direct investment position is broken down into three parts: Direct investment capital flows, reinvested earnings, and valuation adjustments. Changes in other U.S. corporate claims on foreigners are also shown. Some of the direct investment capital flows are financed by foreign borrowings of U.S. corporations. Borrowing includes new issues of securities by U.S. corporations abroad and changes in other liabilities of U.S. corporations to foreigners. Borrowed funds that are

not immediately used to finance direct investments or repatriated to the United States may be left on deposit abroad, which would increase "other corporate claims."

A balance of payments analysis of the impact of direct investments must also take into account the U.S. share of earnings of foreign affiliates, as well as the fees and royalties received from them. Earnings are divided into those that are reinvested (equivalent to reinvested earnings in the change in the direct investment position) and those that are paid (or credited) to U.S. owners which have a favorable balance of payments impact.

The figures in table 1, however, do not give a complete account of the balance of payments impact of direct investment. Some of the accounts shown in the table include items, such as trade credits, which are not necessarily related to direct investments but cannot be separately identified. In addition, other items, such as imports and exports of goods not shown at all in the table are affected by direct investments.

The increase in the direct investment position in 1970, an adverse factor in terms of balance of payments accounting, was about \$1.0 billion larger than in 1969, primarily reflecting increased outflows of capital. The magnitude of the increase in total investment was probably associated with the substantial growth in plant and equipment expenditures by U.S.-owned foreign affiliates. The latest OBE data (see the September 1971 issue of the Survey) indicate that such expenditures grew by 21 percent in 1970. Tight capital markets abroad and a somewhat slower growth of earnings of foreign affiliates may have limited the amount of overseas funds available to the affiliates, thus encouraging them to use funds from their U.S. parents to finance plant and equipment expenditures.

An outflow of \$0.3 billion in 1970 resulted from a net increase in corporate claims other than direct investment, a slight favorable shift from 1969 flows. Long-term claims again increased in 1970 but by a lesser amount than in 1969. In both years, notes received by U.S. parents in payment for liquidation of direct investments in Latin America

contributed to the increases. As in 1969, short-term liquid claims were reduced substantially as U.S. parent companies apparently continued to draw on the proceeds of previous foreign borrowings which had been left on deposit abroad. These favorable shifts were partly offset by an adverse shift in nonliquid short-term claims, which rose \$0.4 billion in 1970.

Foreign borrowing by U.S. corporations totaled \$2.9 billion in 1970, a \$0.9 billion increase over 1969. The maturity structure of the borrowing shifted from long-term to medium- and short-term. New issues of securities fell \$0.2 billion to \$0.8 billion. Part of the decline may have been related to the sharp drop of the U.S. stock market in the first half of 1970 and the resulting unattractiveness of U.S. convertible issues to foreigners. More importantly, long-term rates on the Euro-bond market rose sharply in the spring of 1970 and gradually decreased in the second half of the year; U.S. corporations may have wished to postpone long-term commitments in anticipation

Table 4.—Net Capital Flows Between Primary and Secondary Foreign Affiliates

(Millions of dollars)					
Area and country (not inflow(-))	1968	1967	1966	1965	1964
Canada.....	35	1	-1	7	1
Europe.....	30	10	-8	2	12
France.....	-5	0	-3	-10	11
Germany.....	-10	-3	-2	0	3
Italy.....	-7	13	6	11	9
Switzerland.....	28	30	-31	0	-1
United Kingdom.....	47	-15	4	-28	-1
Other.....	-10	-24	-1	30	-8
Latin American Republics and other Western Hemisphere.....	-6	-38	6	-9	4
Argentina.....	4	-1	-3	3	3
Mexico.....	2	3	1	-1	-5
Panama.....	7	10	-6	-18	1
Other.....	-13	-32	10	3	6
Other countries.....	-38	9	(*)	-1	-23

* Preliminary.
* Less than \$500,000 (in).

Table 5.—Acquisition and Sales by American Companies of Foreign Enterprises¹ by Area and Industry

Area and Industry	(Millions of dollars)					
	1969			1970		
	Acquisitions	Sales	Net	Acquisitions	Sales	Net
All areas.....	847	164	683	827	164	673
Petroleum.....	30	(*)	30	4	10	-6
Manufacturing.....	564	91	473	628	112	517
Other industries.....	233	73	160	194	32	162
Canada.....	242	48	194	183	6	177
Petroleum.....	28		28	2		2
Manufacturing.....	164	27	137	108	3	105
Other industries.....	53	19	35	32	3	29
Europe.....	685	51	634	557	54	503
Petroleum.....	(*)	(*)	(*)	2	8	-6
Manufacturing.....	347	38	309	405	41	364
Other industries.....	138	13	125	101	5	96
Other areas.....	117	73	44	117	94	23
Petroleum.....	2	(*)	2	(*)	2	-2
Manufacturing.....	73	26	47	86	68	18
Other industries.....	42	47	-5	61	24	37

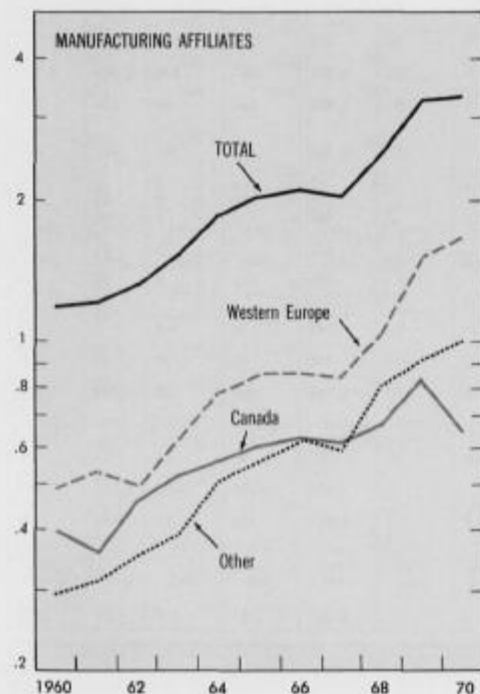
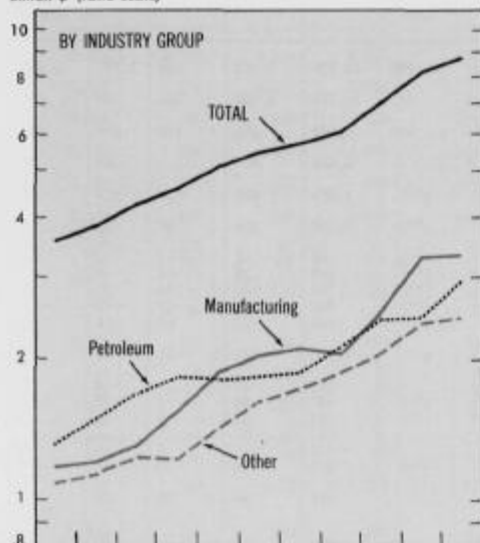
¹ Less than \$500,000.
1. Acquisitions include partial and total purchases of voting securities of existing foreign corporations from foreign owners. Sales include partial and total sales of voting securities of foreign corporations by U.S. owners to foreign purchasers. Liquidations through the sale of assets, as distinct from sale of ownership interests, are not included. Changes in the share of ownership resulting from transactions between a parent and an affiliate—such as the purchase of treasury stock from an affiliate by a parent—are not included; only changes involving outside foreign owners of purchases are included. Secondary foreign companies acquired or sold through primary foreign affiliates are not included.

of further rate declines. Other long-term borrowing, mostly medium-term foreign bank loans, increased \$0.5 billion to a total of \$1.2 billion, and short-term borrowing rose \$0.6 billion to \$0.9 billion. The shift to shorter term borrowing may also have been encouraged by a change in OFDI regulations which permitted short-term borrowing to be used as an offset to direct investment outflows provided there was a renewal provision.

CHART 11

Earnings of Foreign Affiliates

Billion \$ (ratio scale)



Adjusted earnings¹ on direct investments abroad increased by more than \$0.6 billion in 1970 to \$8.9 billion, with gains in interest, dividends, and branch earnings as well as reinvested earnings. Fees and royalties from foreign affiliates totaled \$1.9 billion, an increase of \$0.2 billion.

The net improvement from increased foreign borrowings, adjusted earnings, and royalties and fees in 1970 exceeded the increase in the direct investment outflows (and the associated adverse shift in valuation adjustment) by \$0.4 billion, with the resulting net inflow on these items totaling \$6.1 billion.

Country and Industry Distribution of Direct Investments

The increase in the book value of direct investments in the developed

1. See the technical note for a discussion of this concept and its relation to the other items associated with earnings.

countries of Canada, Europe, Republic of South Africa, Japan, Australia, and New Zealand was \$5.2 billion in 1970, accounting for three-quarters of the global increase. The increase in 1970 was substantially larger than in 1969, as investments in Europe showed particularly large gains. In the developing countries of Latin America, Africa, and Asia, the rise in investment was \$1.4 billion, virtually the same as in 1969, with Latin America accounting for \$0.3 billion of the increase and some disinvestment in the Middle East. Investments in the international category (mostly shipping and unallocated) increased \$0.5 billion.

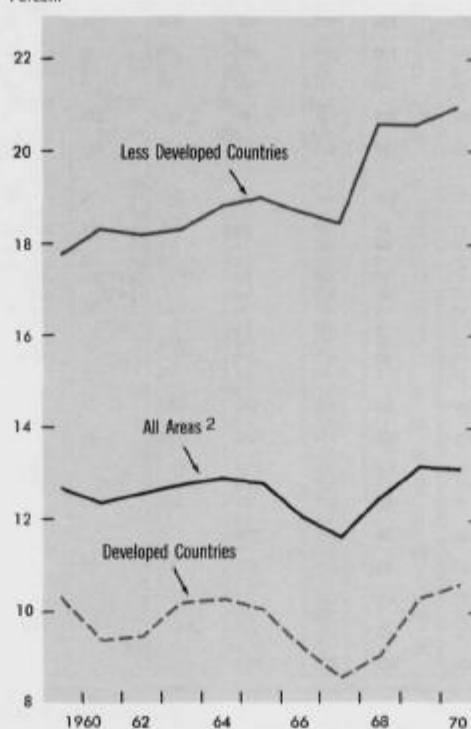
Manufacturing.—The value of direct investments in manufacturing affiliates rose \$2.7 billion to \$32.2 billion in 1970 (tables 3, 6A, and 6B, chart 10). The increase was somewhat smaller than in 1969, as a reduction in reinvested earnings more than offset increased capital outflows from the United States. Manufacturing affiliates in the devel-

CHART 12

Rates of Return¹ on U.S. Direct Investments Abroad and Domestic Manufacturing Excluding Petroleum

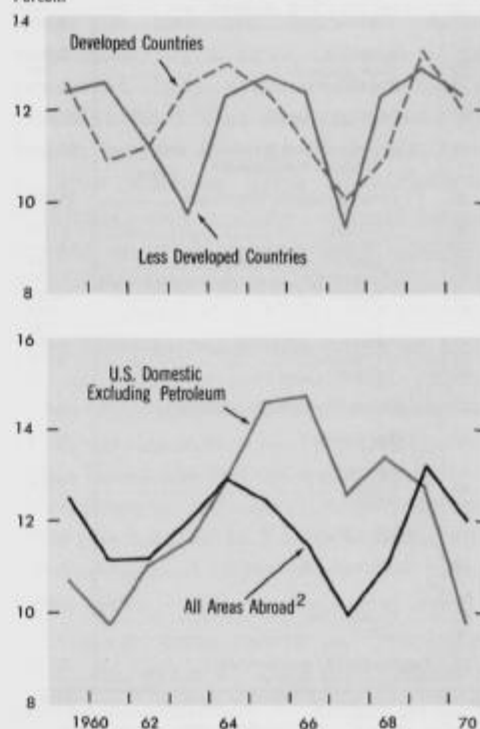
ALL INDUSTRIES ABROAD

Percent



MANUFACTURING

Percent



oped countries accounted for \$2.4 billion of the increase, with the major share going to Europe and Canada. The slow pace of economic growth in these countries in 1970 held down earnings. This led to reductions in reinvested earnings, but capital out-

flows increased substantially, particularly in the paper and transportation equipment industries in Canada and the electrical and nonelectrical machinery industries in Europe (table 7). The value of manufacturing investments in Germany rose very little in 1970, fol-

lowing a large increase in 1969. However, substantial increases were reported for France and the United Kingdom.

In the developing countries, manufacturing investments grew only \$0.3 billion, well below the increase for

Table 6A.—Preliminary 1970 Data on U.S. Direct Investments Abroad.

(All figures in millions of dollars)

Line	Area and country ¹	Total, all industries					Mining and smelting					Petroleum				
		Book value at year-end ¹	Net capital outflows	Reinvested earnings ²	Earnings	Interest, dividends, and branch earnings	Book value at year-end ¹	Net capital outflows	Reinvested earnings ²	Earnings	Interest, dividends, and branch earnings	Book value at year-end ¹	Net capital outflows	Reinvested earnings ²	Earnings	Interest, dividends, and branch earnings
1	All areas.....	78,080	4,483	3,669	5,742	9,626	5,137	379	183	748	608	21,780	1,432	483	2,359	2,083
2	Developed countries.....	63,111	3,221	3,089	4,629	2,737	3,857	231	113	411	237	11,744	1,065	228	349	219
3	Canada.....	22,501	915	793	1,622	972	3,014	158	87	294	281	4,809	283	170	118	185
4	Europe ⁴	24,471	1,904	854	2,323	1,378	71	-5	4	8	5	5,458	661	-16	68	68
5	United Kingdom.....	8,915	669	226	592	375	1	(**)	(**)	(**)	(**)	1,822	204	-24	-12	40
6	European Economic Community.....	11,894	871	448	1,345	774	16	(**)	(**)	(**)	(**)	2,625	230	37	22	7
7	Belgium and Luxembourg.....	1,610	154	67	171	65	(*)	(**)	(**)	(**)	(**)	65	1	-1	-3	-3
8	France.....	2,485	330	147	235	67	(*)	(**)	(**)	(**)	(**)	320	20	-3	5	0
9	Germany.....	4,879	247	88	633	513	(**)	(**)	(**)	(**)	(**)	1,105	107	24	31	25
10	Italy.....	1,521	101	5	65	50	(**)	(**)	(**)	(**)	(**)	501	41	-47	-19	-1
11	Netherlands.....	1,496	138	131	151	37	(*)	(**)	(**)	(**)	(**)	441	69	65	34	-25
12	Other Western Europe.....	4,781	201	270	488	229	55	(**)	(**)	(**)	(**)	1,110	121	-11	-25	-7
13	Denmark.....	341	55	5	15	19	1	(**)	(**)	(**)	(**)	238	49	-1	-1	0
14	Norway.....	289	35	10	4	-4	(**)	(**)	(**)	(**)	(**)	134	34	-1	-15	-11
15	Spain.....	788	118	37	42	17	(**)	(**)	(**)	(**)	(**)	142	25	-4	-2	1
16	Sweden.....	818	24	10	33	15	(**)	(**)	(**)	(**)	(**)	322	17	-	-	-
17	Switzerland.....	1,786	10	182	300	147	(*)	(**)	(**)	(**)	(**)	-37	-14	8	5	1
18	Other ⁵	995	00	44	82	35	23	(**)	(**)	(**)	(**)	311	14	-12	-15	-1
19	Japan.....	1,491	832	119	238	84						548	85	29	29	6
20	Australia, New Zealand, and South Africa.....	4,268	270	193	493	230	542	72	19	169	87	989	46	29	37	28
21	Australia.....	3,395	222	129	302	208	478	65	22	79	52	(**)	(**)	(**)	(**)	(**)
22	New Zealand.....	150	4	14	23	9	4	4				(**)	(**)	(**)	(**)	(**)
23	South Africa.....	894	44	52	141	78	60	8	-2	39	34	172	(**)	(**)	(**)	(**)
24	Developing countries.....	21,417	984	578	3,988	3,114	2,451	145	1	338	332	8,377	641	325	2,385	2,120
25	Latin American Republics and other Western Hemisphere.....	14,653	589	462	1,489	1,861	3,037	132	-25	299	291	3,329	154	85	415	349
26	Latin American Republics.....	12,204	367	319	1,236	890	1,884	58	-28	177	185	3,157	63	38	307	322
27	Mexico.....	1,774	87	44	133	80	181	14	-1	4	5	83	-4	2	4	1
28	Panama.....	1,232	103	68	121	74	10					258	18	0	18	1
29	Other Central America ⁶	624	22	3	21	21	10	3		2	3	100	5	1	-4	-5
30	Argentina.....	1,288	40	18	108	82	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
31	Brazil.....	1,843	106	101	206	80	127	(**)	(**)	(**)	(**)	121	(**)	20	35	11
32	Chile.....	758	-54	-1	84	60	155	25	-23	50	62	(**)	(**)	(**)	(**)	(**)
33	Colombia.....	691	-5	5	40	31	(**)	(**)	(**)	(**)	(**)	334	(**)	1	15	14
34	Peru.....	691	-40	22	82	80	425	-31		54	54	(**)	(**)	(**)	(**)	(**)
35	Venezuela.....	2,090	-10	88	422	350	(**)	(**)	(**)	(**)	(**)	1,734	-30	288	283	283
36	Other ⁷	615	80	5	20	15	40	-2	-2	13	16	245	56	-1	-6	-5
37	Other Western Hemisphere ⁸	2,485	282	83	282	182	682	75		108	108	702	81	27	49	24
38	Other Africa ⁹	2,612	319	185	704	682	340	-26	27	88	32	1,314	299	52	594	544
39	Liberia.....	281	20	8	28	21	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
40	Libya.....	1,009	281	8	567	680	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
41	Other.....	1,484	88	69	110	31	287	-15	27	54	20	682	65	62	43	4
42	Middle East ¹⁰	1,645	-134	-25	1,178	1,286	3					1,483	-122	-29	1,802	1,194
43	Other Asia and Pacific.....	2,477	212	83	310	225	91	35	(*)	-2	-1	1,845	140	37	154	86
44	India.....	305	13	-2	34	30	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
45	Philippines.....	719	-23	1	39	35	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
46	Other.....	1,453	238	84	247	151	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
47	International, unallocated.....	3,543	324	251	495	174						1,887	-24	117	375	194

* Less than \$400,000. ** Combined in other industries.
 1. The value of investments in specified industries and countries is affected by capital flows among foreign affiliates shown in table 4.
 2. Represents U.S. owners' share in the reinvested earnings of foreign corporations.
 3. Does not mean that all countries grouped in an "other" or regional category have U.S. direct investment at any given time.
 4. Direct investment statistics do not show any investments in Eastern Europe.
 5. Includes Austria, Cyprus, Finland, Gibraltar, Greece, Greenland, Iceland, Ireland, Malta, Portugal, Turkey, and Yugoslavia.

1969. Almost all of the increase went to affiliates located in Latin American Republics, particularly to those in Brazil and Mexico.

Petroleum.—The value of direct investments in the petroleum industry grew by \$1.9 billion to \$21.8 billion in

1970, almost double the 1969 increase. Capital outflows and reinvested earnings both rose sharply. Virtually all the rise in capital flows was channeled into affiliates in developed countries. Affiliates in both developed and developing countries recorded increased

reinvested earnings. Tanker operations (in the international category) also showed a gain.

About \$1.3 billion of the increased investment in the petroleum industry was made in developed countries. The value of European investments rose \$0.7 billion, much more than in 1969. Heavy outlays for exploration and development of North Sea concessions, continuing expansion of refining, storage, and marketing facilities, and a buildup of inventories were contributing factors. Petroleum investments in Canada grew by more than \$0.4 billion in 1970, while investments in affiliates in Japan, Australia, New Zealand, and Republic of South Africa rose \$0.2 billion.

Petroleum investments in developing countries grew \$0.5 billion despite a \$0.2 billion reduction in the Middle East. Affiliates in the Middle East increased shipments of petroleum products to their U.S. parents without equivalent increases in payments by those parent firms. This raised the net indebtedness of the parent companies to such affiliates, which is counted as net capital inflows from that area and as a reduction in the value of U.S. direct investments in the Middle East. Continuing development of new oil fields in Africa accounted for a large investment increase in that area. Investments in the Far East also showed substantial gains, mainly because of development of new offshore fields in Indonesia.

Mining and smelting.—Direct investments in the mining and smelting industry rose almost \$0.5 billion in 1970 to a total of \$6.1 billion at yearend. The 1970 increase was twice as large as in 1969, as increased net capital flows offset somewhat smaller reinvested earnings. Canadian and Australian affiliates listed the largest gains as mining investments in developed countries rose to a total of \$3.7 billion at yearend, an increase of more than \$0.3 billion over 1969.

Mining investments in developing countries grew by over \$0.1 billion in 1970 to a total of \$2.5 billion. More than half of the increase was in countries in the Caribbean area, primarily for development of bauxite deposits. For Latin American Republics, total

Selected Data Items, Countries, and Industries

(dollars)

Manufacturing					Other industries					Line
Book value at year-end ¹	Net capital outflows	Reinvested earnings ²	Earnings	Interest, dividends, and branch earnings	Book value at year-end ¹	Net capital outflows	Reinvested earnings ²	Earnings	Interest, dividends, and branch earnings	
32,231	1,328	1,471	3,324	1,838	17,832	1,299	833	1,712	876	1
28,747	1,208	1,213	2,724	1,680	18,969	729	808	1,125	891	2
18,858	321	330	649	384	4,327	183	243	361	228	3
13,780	785	684	1,662	994	5,207	462	265	686	394	4
4,868	168	228	463	233	1,174	141	37	141	103	5
7,126	467	333	1,000	649	2,020	277	89	214	118	6
866	102	67	91	28	580	81	23	80	46	7
1,867	215	125	187	71	831	83	25	42	17	8
2,812	12	88	851	483	800	128	8	42	33	9
891	41	45	85	48	210	18	0	18	12	10
780	83	50	84	51	264	-3	17	33	11	11
1,690	181	135	100	62	2,006	39	145	321	173	12
55	6	2	4	8	57	-1	0	13	7	13
56	0	0	7	2	66	1	0	11	6	14
492	0	10	28	12	214	28	22	26	4	15
185	0	7	11	7	132	1	12	22	10	16
453	26	67	89	27	1,240	-2	89	211	118	17
428	26	45	67	11	227	20	10	39	28	18
759	32	79	158	69	198	34	11	31	18	19
2,241	68	120	686	141	637	79	27	65	48	20
1,704	44	62	183	100	1,122	114	28	50	44	21
50	2	5	15	6	77	-2	8	8	3	22
436	22	26	68	26	163	14	24	44	17	23
5,482	128	358	599	428	5,978	236	190	468	286	24
4,604	185	249	499	278	4,115	168	153	293	184	25
4,320	111	101	467	281	3,379	75	118	236	141	26
1,191	58	32	168	74	390	19	11	10	0	27
117	-2	28	37	10	830	80	26	74	04	28
78	-6	-3	4	4	391	22	4	22	10	29
777	8	2	61	00	811	38	14	47	32	30
1,247	58	70	155	04	248	49	3	16	13	31
60	-3	3	1	-3	228	-78	19	26	10	32
220	-1	6	19	13	128	2	2	5	3	33
80	-8	3	8	4	176	-11	10	20	1	34
450	9	35	08	22	556	24	24	77	58	35
75	2	7	9	3	240	1	2	3	1	36
284	-6	18	42	28	780	91	38	63	27	37
108	12	7	10	8	243	29	19	62	23	38
(**)	(**)	(**)	(**)	(**)	201	20	8	28	21	39
(**)	(**)	(**)	(**)	(**)	1,000	231	8	537	669	40
98	12	7	10	3	87	7	3	12	4	41
36	1	5	8	1	90	-4	-1	18	11	42
632	1	37	65	48	628	36	19	183	83	43
157	0	5	22	14	149	3	-7	12	15	44
237	-18	13	25	12	443	-15	-12	13	24	45
237	10	19	37	22	1,194	222	73	310	139	46
					1,800	280	124	143	18	47

6. Includes Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.

7. Includes Bolivia, Dominican Republic, Ecuador, Haiti, Paraguay, and Uruguay.

8. Includes all of the Western Hemisphere except Canada and the 19 Latin American Republics included in line 20.

9. Includes United Arab Republic (Egypt) and all other countries in Africa except South Africa.

10. Includes Bahrain, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Qatar, Saudi Arabia, Southern Yemen, Syria, Trucial States, Oman, and Yaman.

NOTE.—For an explanation of the relation between earnings, reinvested earnings, and interest, dividends, and branch earnings see the technical appendix.

investment in mining and smelting affiliates showed little change in 1970.

Other industries.—U.S. direct investments in this group of industries (including agriculture, transportation, public utilities, trade, and finance) rose \$2.0 billion in 1970 to \$17.9 billion, following a \$1.7 billion increase in 1969. Developed countries accounted for \$1.2 billion of the rise, with more than half going to European affiliates. In Europe, investments in trading affiliates grew \$0.3 billion, banks and

finance companies formed several new affiliates, and a number of new hotels were acquired or under construction. Investments in Canada increased \$0.3 billion in 1970, with trade and finance affiliates accounting for much of the growth.

In the developing countries, investments in this group of industries rose \$0.4 billion. Affiliates in Latin America accounted for most of the growth, despite a reduction of \$0.1 billion in value resulting from the negotiated

sale of a utility company to the Chilean government. Additions to investment in the international category were \$0.4 billion in 1970. Much of the increase went to finance affiliates incorporated but not domiciled in the Netherlands Antilles, which are agents for U.S. parent company borrowing in the European capital market. Investments in international shipping companies also rose, probably for use in progress payments on new vessels under construction in European and Japanese shipyards.

Table 6B.—Revised 1969 Data on U.S. Direct Investments Abroad

[Millions]

Line	Area and country ²	Total, all industries					Mining and smelting					Petroleum				
		Book value at year-end ¹	Net capital outflows	Reinvested earnings ²	Earnings	Interest, dividends, and branch earnings	Book value at year-end ¹	Net capital outflows	Reinvested earnings ²	Earnings	Interest, dividends, and branch earnings	Book value at year-end ¹	Net capital outflows	Reinvested earnings ²	Earnings	Interest, dividends, and branch earnings
1	All areas.....	71,016	3,264	2,404	8,128	6,868	6,656	76	167	782	644	19,882	919	-89	2,452	2,436
2	Developed countries.....	47,886	2,129	2,134	4,808	2,064	3,239	80	95	322	235	10,463	447	-82	65	281
3	Canada.....	21,127	671	837	1,896	762	3,769	64	77	205	163	4,561	179	95	242	168
4	Europe ⁴	31,659	1,289	895	1,928	1,036	73	5	5	—	5	4,816	217	-196	-196	36
5	United Kingdom.....	7,190	316	161	502	332	2	(**)	(**)	(**)	(**)	1,577	53	-41	-60	3
6	European Economic Community.....	10,286	180	503	945	469	17	(**)	(**)	(**)	(**)	2,344	129	-147	-129	20
7	Belgium and Luxembourg.....	1,214	103	78	138	55	—	(**)	(**)	(**)	(**)	57	32	-24	-22	-3
8	France.....	2,122	86	116	201	127	10	(**)	(**)	(**)	(**)	205	-1	3	16	12
9	Germany.....	4,279	258	260	488	239	(**)	(**)	(**)	(**)	(**)	1,067	41	-77	-89	39
10	Italy.....	1,423	109	27	73	45	(**)	(**)	(**)	(**)	(**)	807	16	-38	-38	-1
11	Netherlands.....	1,221	122	52	48	31	(**)	(**)	(**)	(**)	(**)	218	40	-18	-27	-12
12	Other Western Europe.....	4,306	263	220	479	290	82	(**)	(**)	(**)	(**)	958	36	-1	-6	4
13	Denmark.....	309	63	4	11	6	1	(**)	(**)	(**)	(**)	107	45	-5	-5	-2
14	Norway.....	229	9	13	0	—	(**)	(**)	(**)	(**)	(**)	103	3	-1	-10	-8
15	Spain.....	607	28	17	23	17	(**)	(**)	(**)	(**)	(**)	116	-16	-1	3	2
16	Sweden.....	679	61	11	26	12	(**)	(**)	(**)	(**)	(**)	304	21	-16	-16	1
17	Switzerland.....	1,604	44	183	291	187	(**)	(**)	(**)	(**)	(**)	306	-34	-3	-3	1
18	Other ⁵	884	62	71	120	33	24	(**)	(**)	(**)	(**)	206	9	0	18	11
19	Japan.....	1,244	59	162	165	78	—	—	—	—	—	447	27	18	18	7
20	Australia, New Zealand, and South Africa.....	3,855	169	199	491	214	478	26	14	58	68	397	24	36	—	5
21	Australia.....	2,047	169	192	264	134	306	19	12	50	38	(**)	(**)	(**)	(**)	(**)
22	New Zealand.....	186	-6	0	20	16	-1	—	—	—	—	(**)	(**)	(**)	(**)	(**)
23	South Africa.....	756	6	49	127	69	84	1	1	38	30	169	(**)	(**)	(**)	(**)
24	Developing countries.....	20,645	805	599	3,269	3,273	2,229	-5	73	458	419	7,646	362	-7	2,255	2,288
25	Latin American Republics and Other Western Hemisphere.....	12,841	375	376	1,848	1,277	1,940	-13	43	396	484	3,722	56	-85	354	472
26	Latin American Republics.....	11,504	298	362	1,413	1,049	1,303	-70	42	290	267	3,070	67	11	294	295
27	Mexico.....	1,840	102	49	149	74	135	13	11	13	6	35	-11	1	4	2
28	Panama.....	1,072	56	48	121	70	19	—	—	—	—	220	21	5	0	4
29	Other Central America ⁶	550	—	—	25	29	(**)	(**)	(**)	(**)	(**)	154	3	—	—	—
30	Argentina.....	1,298	63	30	149	114	(**)	(**)	(**)	(**)	(**)	300	(**)	(**)	(**)	(**)
31	Brazil.....	1,688	67	63	181	101	99	(**)	(**)	(**)	(**)	300	(**)	(**)	(**)	(**)
32	Chile.....	837	-137	45	182	114	482	(**)	(**)	(**)	(**)	342	(**)	(**)	(**)	(**)
33	Colombia.....	684	35	14	35	20	(**)	(**)	(**)	(**)	(**)	342	(**)	(**)	(**)	(**)
34	Ecuador.....	721	18	11	119	106	400	(**)	(**)	(**)	(**)	1,770	(**)	(**)	(**)	(**)
35	Venezuela.....	2,603	-22	61	479	401	(**)	(**)	(**)	(**)	(**)	1,770	(**)	(**)	(**)	(**)
36	Other ⁷	554	53	-9	38	43	60	-2	1	14	12	100	38	-14	7	32
37	Other Western Hemisphere ⁸	2,147	76	14	233	229	577	87	1	110	110	644	—	-20	50	78
38	Other Africa ⁹	2,227	181	67	681	816	343	(**)	(**)	(**)	(**)	1,606	(**)	(**)	(**)	(**)
39	Liberia.....	172	-7	3	17	16	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
40	Libya.....	767	120	6	613	604	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
41	Other.....	1,267	90	58	62	-1	276	3	20	63	28	848	56	20	-28	-46
42	Middle East ¹⁰	1,804	47	-46	1,163	1,196	3	—	—	—	—	1,627	23	-46	1,133	1,161
43	Other Asia and Pacific.....	2,172	202	97	279	184	53	8	1	-3	-4	893	168	32	111	87
44	India.....	204	1	10	20	18	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
45	Philippines.....	742	41	26	66	38	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
46	Other.....	1,136	167	61	185	133	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)	(**)
47	International, unallocated.....	3,865	328	-31	262	393	—	—	—	—	—	1,673	309	(*)	198	117

See footnotes to table 6A.

Earnings

The U.S. share of earnings on direct investments abroad (not adjusted) totaled \$8.7 billion in 1970; this was \$0.6 billion higher than in 1969, a much smaller increase than from 1968 to 1969 (chart 11). Most of the gain was in developed countries. Although earnings of manufacturing affiliates showed little change, higher profits on petroleum investments helped to increase earnings there by \$0.5 billion to a total of \$4.6

billion. In developing countries, however, earnings were \$3.7 billion, \$0.1 billion lower than in 1969. Earnings of the international category rose about \$0.2 billion to \$0.4 billion.

Due to the slower growth of earnings in 1970, the rate of return on all U.S. direct investments abroad dipped from 13.2 percent in 1969 to 13.1 percent in 1970. However, the yield was still well above the average annual rate of return of 12.6 percent for the 1960's (chart 12). For all industries combined, the

rate of return on investments in less developed countries was 21.0 percent, roughly twice the yield on investments in the developed areas. Most of the difference, however, reflected the structure of earnings of petroleum affiliates. Earnings in petroleum producing countries (developing) are consistently reported as higher than those in consuming countries (developed), partly because of the pricing agreements with the governments of producing countries. Yields on manufacturing investments, on the other hand, were about the same for the two areas. In the developed countries, the rate of return on manufacturing investments dropped from 13.3 percent to 12.6 percent in 1970; in less developed countries, it dropped from 12.9 percent to 12.3 percent.

Even though the rate of return on foreign manufacturing investments declined in 1970, it remained higher than the yield on comparable domestic investments. In fact, the gap between the two widened substantially; the slowdown in the United States resulted in a much sharper decline in the return on domestic investments than was experienced by U.S.-owned affiliates abroad.

Interest, Dividends, and Branch Earnings

Direct investment interest, dividends, and branch earnings—which account for most of U.S.-owners' income from foreign investments—totaled \$6.0 billion in 1970. The increase of less than \$0.4 billion was the smallest since 1966 and just about half that in 1969, when unusually large dividends were paid from prior years' earnings. Such income paid out from investments in mining, petroleum, and "other industries" fell slightly in 1970, after registering gains in previous years. In petroleum, the decline occurred despite the large increase in earnings. On the other hand, there was a \$0.5 billion rise in such income from manufacturing affiliates, despite the leveling off of manufacturing earnings, as particularly large dividends were received from European and Canadian affiliates by a few major U.S. companies. (The counterpart of these shifts in earnings and income receipts was a sharp increase in retained earnings by petroleum af-

Selected Data Items, Countries, and Industries
of dollars)

Manufacturing					Other Industries					Line
Book value at year-end ¹	Net capital outflows	Retained earnings ²	Earnings	Interest, dividends, and branch earnings	Book value at year-end ¹	Net capital outflows	Retained earnings ²	Earnings	Interest, dividends, and branch earnings	
28,527	1,180	1,328	3,387	1,337	16,948	1,099	567	1,409	1,039	1
24,367	665	1,048	3,723	1,054	9,735	647	427	958	603	2
3,496	248	539	833	265	4,591	199	166	265	203	3
12,259	894	993	1,517	641	4,489	399	232	646	354	4
4,667	117	169	440	236	1,843	145	24	122	92	5
8,362	385	694	930	242	1,611	146	68	166	80	6
783	10	72	95	24	454	41	39	64	34	7
1,434	77	95	157	72	282	13	11	30	8	8
2,774	183	218	597	181	436	34	17	40	24	9
2,716	83	80	84	38	201	11	12	25	18	10
658	63	51	65	30	245	20	—4	6	12	11
1,330	93	101	168	62	1,625	104	146	328	179	12
56	4	5	6	4	58	3	4	16	6	13
82	8	5	6	2	58	2	0	12	3	14
319	20	—13	—3	0	172	8	18	51	4	15
184	13	5	13	0	190	11	14	31	6	16
382	9	46	78	31	1,253	78	80	217	194	17
384	34	51	87	8	106	10	13	45	33	18
646	30	55	145	49	159	33	5	20	33	19
2,835	73	136	227	168	514	44	34	67	33	20
1,473	73	90	265	95	938	66	40	37	81	21
88	—2	6	13	6	78	—3	3	7	4	22
373	1	21	48	17	140	3	17	43	23	23
5,153	266	213	544	284	4,799	342	162	484	253	24
4,347	133	236	488	237	3,831	196	133	369	164	25
4,079	180	213	457	220	3,174	154	97	362	140	26
1,189	80	42	164	84	380	50	4	15	12	27
90	12	10	23	14	724	62	30	60	32	28
113	11	—3	1	3	355	20	25	25	20	29
789	34	28	91	68	487	20	2	49	47	30
1,115	35	65	135	63	322	31	2	12	31	31
65	2	1	—3	—1	370	15	14	34	15	32
229	13	10	21	0	122	5	2	1	2	33
97	—2	8	7	4	164	—17	0	8	2	34
413	—3	33	65	23	490	—11	20	74	43	35
67	8	4	6	2	246	13	6	10	6	36
270	—20	12	19	10	657	45	28	68	24	37
80	4	7	8	2	199	10	10	28	18	38
(**)	(**)	(**)	(**)	(**)	172	—7	2	17	15	39
70	4	7	9	2	787	120	0	011	065	40
88	15	2	5	3	71	5	5	7	12	41
652	54	39	94	42	63	8	8	16	18	42
144	5	7	23	11	577	38	26	67	20	43
270	24	5	16	15	150	—1	3	7	2	44
238	25	25	145	14	473	17	10	41	32	45
					808	125	37	36	110	46
					1,812	211	—11	139	143	47

filiales and a sharp decrease in retained earnings by manufacturing affiliates.)

Direct Investment Royalties and Fees

Direct investment royalties and fees are divided into two categories: (1) Royalties, license fees, and rentals, which include parent company charges to cover a portion of the funds spent by U.S. firms for research and development of new products and processes, and rental fees for the use of tangible property; (2) management fees and service charges, which represent an allocation of administrative and other

expenses incurred by parent companies on behalf of their foreign affiliates. Two changes have been made in the balance of payments treatment of these receipts and in the presentation given here. Both changes only involve a rearrangement of the accounts. First, the revised balance of payments presentation published in the June 1971 SURVEY now treats direct investment royalties and fees as part of income on U.S. investments abroad. Secondly, receipts from film rentals to foreign affiliates of U.S. motion picture companies are now included in direct investment fees and royalties. Previously, they were included in "other private services" in the balance of payments presentation.

Income from direct investment royalties and fees (including film rentals) rose \$0.2 billion in 1970, reaching a level of \$1.9 billion (Table 8). About half of the total and of the 1970 increase was accounted for by manufacturing affiliates. Receipts from all major areas rose in 1970, but European affiliates showed the largest gain.

Foreign Direct Investments in the United States

The value of foreign direct investments in the United States rose \$1.4 billion to \$13.2 billion in 1970, following a rise of \$1.0 billion in 1969 (table 9). Capital inflows of \$1.0 billion were up sharply, while reinvested earnings, at \$0.4 billion, were about the same as in 1969. Valuation adjustments were small in 1970 compared with a \$0.3 billion negative adjustment in 1969. These valuation adjustments reflect changes in the value of outstanding assets held by foreign-owned U.S. companies, primarily securities held by insurance companies.

As has been the case in recent years, a substantial portion (\$0.8 billion) of the large capital inflows in 1970 were related to new acquisitions or increases in equity investments in a small number of U.S. companies. Two separate transactions by British firms, one in the petroleum industry and one in manufacturing, accounted for more than \$0.5 billion of the total. The absence of such large new investments in the first half of 1971 suggests a much smaller increase in foreign direct investments in the United States this year.

Capital inflows other than new investments were \$0.2 billion in 1970, somewhat smaller than in 1969. These inflows were primarily the result of intercompany account transactions between Canadian firms and their manufacturing affiliates in the U.S.

In contrast to the sharp decline in profits of domestic firms in 1970, earnings of foreign-owned companies rose slightly to \$0.9 billion. Affiliates in the petroleum and manufacturing industries, whose earnings represented more than 70 percent of the total, showed small reductions. However, trading

Table 7.—Net Capital Outflows to Manufacturing Affiliates by Industry

(Millions of dollars)

Area and year	Manufacturing total	Food products	Paper and allied products	Chemicals and allied products	Rubber products	Primary and fabricated metals	Machinery except electrical	Electrical machinery	Transportation equipment	Other industries
All areas:										
1965.....	1,752	108	151	503	10	134	215	134	317	170
1967.....	1,234	94	68	428	25	242	116	115	50	108
1968.....	945	103	-7	203	4	160	71	-3	1	326
1969.....	1,180	126	3	183	6	136	177	208	115	226
1970*.....	1,323	152	113	78	44	194	204	170	190	171
Canada:										
1965.....	644	17	128	90	-2	24	32	28	248	5
1967.....	28	-10	48	68	7	-33	3	(*)	-73	1
1968.....	26	21	-16	31	-8	20	(*)	(*)	-91	70
1969.....	248	53	-35	2	8	10	40	26	-38	28
1970*.....	331	5	80	45	3	74	-39	-4	138	6
Europe:										
1965.....	889	51	22	280	15	73	157	84	91	124
1967.....	683	65	11	261	2	180	65	108	53	40
1968.....	562	50	8	104	-1	65	68	-28	29	183
1969.....	684	54	31	100	1	63	106	114	24	104
1970*.....	783	90	23	-13	41	85	105	148	50	106
Japan:										
1965.....	22	(*)	(*)	(*)	(*)	1	4	12	(*)	3
1967.....	31	2	(*)	8	(*)	1	18	-2	(*)	4
1968.....	11	(*)	(*)	12	(*)	1	-10	2	(*)	4
1969.....	36	(*)	(*)	0	(*)	10	-7	10	5	11
1970*.....	22	5	(*)	12	1	-4	8	1	8	5
Australia, New Zealand, and South Africa:										
1965.....	65	23	3	17	-2	16	2	-3	2	7
1967.....	221	6	4	16	8	187	10	1	44	5
1968.....	83	16	-1	25	0	28	6	10	10	-1
1969.....	72	12	-1	10	-8	20	4	3	2	21
1970*.....	68	7	8	16	6	10	18	3	6	-1
Latin American Republics and other Western Hemisphere:										
1965.....	180	11	(*)	98	5	14	13	8	-22	20
1967.....	189	12	3	85	6	34	17	1	-14	16
1968.....	223	12	-1	54	(*)	22	4	0	68	64
1969.....	133	1	8	-4	-1	24	24	10	45	28
1970*.....	106	45	-1	24	-4	18	20	23	-3	-10
Other areas:										
1965.....	30	0	1	17	2	4	5	4	(*)	(*)
1967.....	77	10	2	69	2	(*)	4	5	1	6
1968.....	40	7	(*)	16	0	-6	2	6	2	7
1969.....	79	5	1	37	7	3	3	11	1	7
1970*.....	14	2	(*)	-7	-2	11	3	-2	1	8

* Revised. * Preliminary. * Less than \$500,000 (\$).

affiliates (particularly Japanese-owned) reported substantially higher earnings.

Interests, dividends, and branch profits, which account for most of the income received by foreign owners from direct investments in the United States also rose slightly in 1970. Reinvested earnings, at \$0.4 billion in 1970, were at the same level as in 1969.

Technical Note

The various direct investment earnings items, including those shown in tables 3, 6A, and 6B, are defined below and their derivation and relationship to each other are detailed.

Item and definition

1. Net earnings of foreign corporations: The U.S. parents' equity in the earnings of their foreign subsidiaries after provision for foreign income taxes, preferred dividends, and interest payments.

2. Net earnings of foreign branches: The earnings of foreign branches of U.S. companies after foreign income taxes, but before depletion charges and U.S. taxes. Included with net earnings of branches are the U.S. share in the net earnings of foreign partnerships, sole proprietorships and other types of foreign organizations. All branch earnings are assumed to be repatriated to the United States and thus are balance of payments flow items. To the extent that branch earnings are left abroad they are implicitly entered as offsetting capital outflows.

3. Earnings: Net earnings of foreign corporations plus net earnings of foreign branches.

4. Gross dividends on common stock: Dividends paid out by foreign corporations before deduction of withholding taxes paid to foreign governments.

5. Foreign withholding tax: A tax withheld on the payment of dividends as distinguished from income taxes, which are imposed on the earnings of a business. Taxes are also withheld by the payor on payments of interest and preferred dividends but both interest and preferred dividends are reported to the Balance of Payments Division on a net basis and, therefore, our data

on withholding taxes relate only to those on common stock dividends.

6. Dividends: Dividends on common or voting stock only, net of foreign withholding taxes; dividends are included in income as balance of payments flow items.

7. Preferred dividends: Dividends received on preference or non-voting shares after deduction of any foreign withholding taxes. Preferred dividends are included in income as balance of payments flow items. Preferred dividends are treated like interest in these accounts even though on the foreign company's books they are not charged as an expense.

8. Interest: The net interest received on intercompany accounts or on long-term debt of foreign affiliates held by the parent or other nonbank U.S. investors, after deduction of any foreign withholding taxes. Interest is not included in earnings since it is deducted as an expense item by the foreign firm, but, it is included in income as a balance of payments flow item.

9. Interest, dividends, and branch earnings: The sum of dividends, preferred dividends, and interest received by or credited to the account of the U.S. owner—all net after foreign withholding taxes—plus branch earnings after foreign taxes; all before U.S. taxes.

Table 3.—Direct Investment Receipts of Royalties and Fees,¹
by Area and Major Industries

(Millions of dollars)

Area and industry	1964			1969			1970 *		
	Total	Royalties, license fees, and rentals	Management fees and service charges	Total	Royalties, license fees, and rentals	Management fees and service charges	Total	Royalties, license fees, and rentals	Management fees and service charges
All areas.....	1,011	521	492	1,682	913	769	1,898	1,069	811
Petroleum.....	116	13	103	106	34	161	216	33	177
Manufacturing.....	470	210	260	858	618	240	1,070	617	453
Trade.....	68	32	36	133	77	56	167	90	77
Foreign film rentals.....	287	267	20	286	268	18	200	290	10
Other industries.....	102	19	84	106	20	173	244	30	214
Canada.....	190	60	131	302	126	176	357	164	193
Petroleum.....	16	(*)	16	20	1	19	22	1	21
Manufacturing.....	131	25	106	187	82	105	231	116	115
Trade.....	6	3	3	11	6	5	16	6	10
Foreign film rentals.....	27	27	0	34	34	0	37	37	0
Other industries.....	14	3	11	47	3	44	62	5	57
Europe.....	741	287	459	708	400	311	782	561	221
European Economic Community.....	144	84	60	352	267	85	323	302	21
Petroleum.....	8	(*)	8	22	1	21	25	1	24
Manufacturing.....	127	79	48	249	200	49	272	239	33
Trade.....	6	4	2	24	17	7	34	30	4
Foreign film rentals.....	(*)	(*)	0	44	44	0	48	48	0
Other industries.....	11	1	10	14	3	11	14	0	14
Other Europe, including United Kingdom.....	145	40	105	357	132	225	359	248	111
Petroleum.....	8	1	7	20	3	17	26	4	22
Manufacturing.....	100	60	40	200	123	77	223	135	88
Trade.....	16	6	10	36	24	12	40	30	10
Foreign film rentals.....	(*)	(*)	0	66	66	0	68	68	0
Other industries.....	29	0	29	22	7	15	36	7	29
Latin American Republics and other Western Hemisphere.....	132	80	52	302	153	149	321	142	179
Petroleum.....	32	2	30	41	11	30	37	5	32
Manufacturing.....	64	26	38	187	80	107	114	62	52
Trade.....	17	0	17	28	13	15	33	18	15
Foreign film rentals.....	44	44	0	57	57	0	54	54	0
Other industries.....	36	3	33	61	6	55	84	7	77
Other areas.....	216	114	99	368	185	183	420	212	208
Petroleum.....	61	11	50	86	30	56	90	21	69
Manufacturing.....	66	21	45	119	63	56	140	77	63
Trade.....	11	4	7	29	19	10	37	12	25
Foreign film rentals.....	78	78	0	82	82	0	87	87	0
Other industries.....	20	3	17	73	31	42	48	6	42

* Preliminary. * Less than \$500,000.

1. Table has been revised to include foreign film rentals received by companies from direct investment affiliates.
2. Breakdown of foreign film rentals for European Economic Community and other Europe not available; amount is included in Europe total.

Table 9.—Foreign Direct Investments in the United States, Selected Data Items, Countries, and Industries

(Millions of dollars)

Area and industry	Book value at yearend			Net capital inflows						Earnings ¹		Interest, dividends, and branch earnings ¹		Reinvested earnings ¹	
	1968	1969	1970	1969			1970			1969	1970	1969	1970	1969	1970
				Total	New investments ²	Other	Total	New investments ²	Other						
Total.....	19,815	11,818	13,289	832	538	294	949	759	219	834	864	487	441	431	484
By area:															
Canada.....	2,669	2,834	3,112	243	84	159	232	69	174	122	62	47	39	94	23
Europe.....	7,750	8,510	9,516	546	349	197	691	595	23	656	691	346	353	315	239
United Kingdom.....	8,408	3,405	4,110	30	44	30	412	500	-27	272	299	159	164	107	124
European Economic Community.....	2,700	3,300	3,628	303	244	110	109	00	13	250	240	132	132	139	117
Belgium and Luxembourg.....	273	300	336	19	10	9	4	0	0	19	24	8	9	17	23
France.....	228	310	294	37	6	12	-19	21	-40	25	17	12	9	14	8
Germany.....	357	617	676	204	134	70	43	60	-20	22	24	18	13	13	15
Italy.....	62	65	100	-2	-2	2	2	2	2	5	3	3	5	3	3
Netherlands.....	1,768	1,080	2,121	125	105	20	77	5	71	185	167	101	96	81	67
Other Western Europe.....	1,551	1,708	1,877	101	50	42	70	33	37	127	162	57	67	81	69
Sweden.....	266	190	208	-0	-0	0	5	5	5	12	8	6	7	3	4
Switzerland.....	1,236	1,295	1,550	107	55	40	66	33	31	115	135	49	56	76	90
Other.....	105	114	110	3	1	2	1	1	1	1	5	2	2	(*)	4
Japan.....	181	170	233	-34	25	-59	3		3	41	71	9	17	29	54
Latin American Republics and other Western Hemisphere.....	162	193	225	11	5	3	39	24	30	11	17	12	23	(*)	-4
Other.....	43	105	121	62	62	(*)	3	3	(*)	2	18	1	(*)	(*)	13
By industry:															
Petroleum.....	2,281	2,453	2,981	142	15	127	403	457	-54	219	315	124	119	90	25
Manufacturing.....	4,476	5,344	6,183	547	481	106	510	283	227	414	399	149	163	270	255
Trade.....	935	990	1,002	-41	23	-64	-45		-45	65	119	21	28	43	39
Insurance.....	* 2,396	* 2,180	* 2,250	60	66	44	44		44	73	81	75	91		
Other finance.....	(*)	(*)	(*)	13	14	-1	0	10	-1	44	48	130	140	14	16
Other.....	890	833	871	65	35		48		48	-6	-8	13	10	-11	-11

* Revised. * Preliminary. * Less than \$500,000 (±).

1. "Earnings" represents the foreign share in corporate and branch earnings; "Interest, dividends, and branch earnings" is the amount of earnings distributed after withholding taxes. For an explanation of the relation between "earnings", "interest, dividends, and branch earnings", and reinvested earnings, see the technical appendix.

2. "New Investments" consists of the first reported capital inflow to establish or acquire a

new company or operation in the United States and the cost of acquisition of additional shares of existing companies.

3. Includes market revaluation of securities held by insurance companies.

4. Included in "Insurance".

5. Interest paid by agency banks in the United States to foreign home offices has been excluded from direct investment totals.

Derivation and Relationship Based on 1970 Preliminary Data

(Millions of dollars)

1. Net earnings of foreign corporations.....	6,256	reported
2. Net earnings of foreign branches.....	2,477	reported
3. Earnings.....	8,733	= 1+2
4. Gross dividends (on common stock).....	2,371	= 6+6
5. Foreign withholding tax (on common stock dividends).....	390	reported
6. Dividends (on common stock).....	2,961	= 4-5 (reported)
7. Preferred dividends.....	15	reported
8. Interest, dividends, and branch earnings.....	553	reported
9. Interest, dividends, and branch earnings.....	8,026	= 2+4+7+8
10. Reinvested earnings.....	2,556	= 1-4 or 3-2-4
11. Adjusted earnings.....	8,911	= 9+10 or 3+7+8-5

10. Reinvested earnings: Net earnings of foreign corporations less gross dividends on common stock.

11. Adjusted earnings: The benefits of ownership accruing to a U.S. foreign direct investor after all foreign taxes, including withholding taxes, have been paid; this is comprised of (1) funds returned to the United States as income in the form of dividends, preferred dividends, branch profits, and interest, plus (2) funds left abroad to increase the investor's equity in the foreign enterprise as a reinvestment of earnings.

Table 10.—Value of Foreign Direct Investments in the United States by Major Industry and Country—End of 1970

(Millions of dollars)

	Total	Manufacturing	Finance and insurance	Petroleum	Other
All areas.....	13,289	6,105	2,280	2,981	1,923
Canada.....	3,112	1,831	324	189	768
Europe.....	9,516	4,081	1,800	2,796	858
United Kingdom.....	4,110	1,301	1,125	1,259	379
Netherlands.....	2,121	662	58	1,311	190
Switzerland.....	1,550	1,187	351		47
Other.....	1,734	885	256	240	353
Other areas.....	432	213	130	20	217

Balance of Payments Tables

Pages 39-44 of this issue of the SURVEY present quarterly data from 1960-I to 1965-IV for Balance of Payments tables 1, 2, and 3. Quarterly statistics from 1966-I through 1971-I were published in the June 1971 SURVEY, with revised data for 1970 through 1971-II in the September 1971 issue.

Table 1.—U.S. Balance of Payments Summary

(Seasonally adjusted, millions of dollars)

Line	(Credits—; debits—)	Reference lines		1960				1961				1962			
		Old (table 1)	New (table 2 or table 8)	I	II	III	IV	I	II	III	IV	I	II	III	IV
1	Merchandise trade balance ¹			878	1,062	1,888	1,485	1,705	1,373	1,235	1,277	1,118	1,281	1,223	940
2	Exports	3	2	4,084	4,918	5,082	6,018	5,095	4,808	5,037	5,199	5,077	5,335	5,382	6,086
3	Imports	16	16	-3,211	-3,856	-3,096	-4,533	-3,390	-3,435	-3,804	-3,922	-3,959	-4,054	-4,159	-4,076
4	Military transactions, net	4, 16	3, 17	-730	-880	-718	-661	-703	-608	-584	-633	-644	-674	-607	-606
5	Travel and transportation, net	5, 7, 17, 18	4, 5, 8, 15, 19, 20	-240	-260	-232	-237	-240	-238	-244	-247	-243	-283	-281	-340
6	Investment income, net ²			858	843	721	709	870	855	900	931	900	1,006	906	1,148
7	U.S. direct investments abroad	8, 11, 30	10, 11	711	729	721	783	844	810	893	888	863	939	947	1,006
8	Other U.S. investments abroad	12, 13	12, 13	236	214	278	269	290	294	294	317	323	355	349	360
9	Foreign investments in the United States	21, 32	24, 25, 26, 27	-290	-278	-378	-363	-354	-265	-266	-274	-390	-396	-397	-297
10	Other services, net	30, 10, 18p, 20	7, 8, 9, 21, 22, 23	25	17	32	33	8	19	8	12	32	42	34	93
11	Balance on goods and services ³			590	835	1,894	1,539	1,644	1,349	1,289	1,349	1,149	1,451	1,385	1,195
12	Remittances, pensions and other transfers	27, 30	31, 32	-152	-151	-147	-169	-172	-168	-164	-167	-182	-176	-174	-178
13	Balance on goods, services and remittances			438	684	1,647	1,370	1,472	1,181	1,185	1,173	967	1,275	1,190	1,017
14	U.S. Government grants (excluding military)	29	30	-303	-400	-443	-464	-468	-497	-437	-402	-515	-444	-467	-504
15	Balance on current account ⁴			89	234	594	367	1,016	715	688	683	643	834	733	513
16	U.S. Government capital flows excluding non-scheduled repayments, net ⁵	42, 43, 44	34, 35, 36	-254	-348	-183	-273	-397	-168	-492	-457	-412	-442	-468	-453
17	Non-scheduled repayments of U.S. Government assets	45	37	17	5	24	7	5	634	0	51	1	58	475	144
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies	57p, 58p	55	181	-1	44	-10	-14	0	42	-10	18	-21	89	116
19	Long-term private capital flows, net			-384	-375	-520	-371	-408	-392	-546	-653	-489	-728	-630	-789
20	U.S. direct investments abroad	33	36	-243	-282	-404	-336	-480	-294	-483	-338	-272	-429	-406	-455
21	Foreign direct investments in the United States	40	49	40	69	43	-11	20	32	-5	26	41	77	0	0
22	Foreign securities	34, 35, 36	40	-269	-168	-111	-120	-138	-248	-124	-257	-196	-306	-87	-378
23	U.S. securities other than Treasury issues	53	49	170	118	6	-11	194	182	3	60	145	7	-23	0
24	Other, reported by U.S. banks	37, 40p	41, 52	13	-65	-25	-69	53	-25	-79	-170	-119	-87	9	26
25	Other, reported by U.S. nonbanking concerns	39, 56	44, 50	2	-9	-7	-25	-34	-11	-18	-14	-58	-88	-37	4
26	Balance on current account and long-term capital ⁶			-265	-413	-44	-340	149	737	-491	-590	-465	-598	390	-497
27	Nonliquid short-term private capital flows, net			-102	-188	-680	-535	-351	-230	-332	-277	-499	-154	-258	-154
28	Claims reported by U.S. banks	38p	42	-132	-55	-610	-345	-360	-182	-220	-247	-363	-180	-119	-37
29	Claims reported by U.S. nonbanking concerns	40p	45	-34	-30	-55	-263	-81	-128	-100	-82	-135	-53	-182	-37
30	Liabilities reported by U.S. nonbanking concerns	50	51	-6	-52	-6	-27	70	50	-13	32	-23	-49	13	-54
31	Allocations of special drawing rights (SDR) ⁷	69	63												
32	Errors and omissions, net	63	64	-282	-305	-284	-293	-383	-442	64	-310	-107	-280	-428	-416
33	Net liquidity balance			-894	-839	-864	-1,135	-678	-106	-688	-1,114	-1,315	-421	-485	-967
34	Liquid private capital flows, net			-314	-290	-425	-300	-244	-442	-590	-728	-489	-728	-630	-789
35	Liquid claims			-29	-27	-85	-21	-15	-30	-10	-139	-81	-37	-37	-82
36	Reported by U.S. banks	38p	43	-24	-19	-74	-23	-10	-3	-16	-122	-70	-2	-23	-55
37	Reported by U.S. nonbanking concerns	40p	45	-5	-8	-6	-6	-6	-33	-5	-17	-5	-33	-12	-17
38	Liquid liabilities	50p, 50p	56	288	307	0	-291	-249	018	190	524	100	-112	109	
39	To foreign commercial banks			291	218	-23	-346	-180	514	50	210	264	-172	-287	38
40	To international and regional organizations			81	74	30	91	54	28	81	244	215	-4	-167	108
41	To other foreigners			-88	17	-61	-87	-114	70	89	70	39	274	-138	-37
42	Official reserve transactions balance			-338	-411	-971	-1,445	-840	627	-486	-729	-436	-264	-390	-918
43	Financed by changes in:														
44	Nonliquid liabilities to foreign official reserve agencies reported by U.S. Government	57p, 58p	54										-1		200
45	Nonliquid liabilities to foreign official agencies reported by U.S. banks	54p	53												
46	Liquid liabilities to foreign official agencies	59p, 60p	57	210	443	231	374	406	-387	679	-29	-13	629	79	821
47	U.S. official reserve assets, net	46	58	158	176	740	1,071	871	-330	-212	708	427	-184	881	389
48	Gold	47	59	50	94	638	921	371	-170	146	810	304	114	446	24
49	SDR	48	60												
50	Convertible currencies	49	61					-25	-183	124	-64	-114	-324	104	361
51	Gold tranche position in IMF	60	62	700	61	702	160	25	11	-183	312	237	44	331	14
52	Memorandum														
53	Transfers under military grant programs, (excluded from lines 2, 4, and 14)	14		450	438	401	468	335	361	388	401	412	400	351	367
54	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20)			n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
55	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 8 and 21)			n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
56	LIQUIDITY BALANCE, excluding allocations of SDR		54, 57, 58, 62	-656	-828	-977	-1,154	-591	06	-454	-1,253	-934	-485	-448	-818
57	Not seasonally adjusted														
58	Balance on goods and services			521	823	660	1,042	1,065	1,449	712	1,790	1,221	1,581	700	1,649
59	Balance on goods, services and remittances			478	763	478	1,776	1,583	1,283	544	1,624	1,049	1,267	821	1,473
60	Balance on current account			97	248	62	1,327	1,024	797	181	1,190	612	620	91	888
61	Balance on current account and long-term capital ⁸			-203	-444	-465	106	211	715	-872	-33	-290	-383	-318	-2
62	Net liquidity balance			-492	-611	-1,128	-1,145	-327	88	-849	-1,003	-872	-397	-845	-850
63	Official reserve transactions balance			-79	-677	-1,156	-1,581	-423	615	-714	-820	111	-412	-1,240	-1,033

p. Part of line. n.e.s. Not elsewhere shown. n.a. Not available. 10d table 1 refers to table published in balance of payments article in the March 1971 SURVEY. *Less than \$500,000 (a).

1. Adjusted to balance of payments basis; excludes exports under U.S. military agency sales contracts and imports of U.S. military agencies.
2. Includes fees and royalties from U.S. direct investment abroad or from foreign direct investment in the United States.
3. Equal to net exports of goods and services in national income and product accounts of

the United States.

4. The sum of lines 15 and 31 is equal to "net foreign investment" in the national income and product accounts of the United States.

5. Includes some short-term U.S. Government assets.

6. Coverage of liquid banking claims for 1960-1963 and of liquid nonbanking claims for 1960-1962 is limited to foreign currency deposits only; other liquid items are not available separately and are included with nonliquid claims.

Table L.—U.S. Balance of Payments Summary

(Seasonally adjusted, millions of dollars)

Line	(Credits+; debits-)	Reference lines ¹		1963				1964				1965			
		Old (table 1)	New (table 2 or table 3)	I	II	III	IV	I	II	III	IV	I	II	III	IV
1	Merchandise trade balance ²	2	2	1,008	1,379	1,301	1,558	1,820	1,606	1,881	1,716	989	1,451	1,293	1,190
2	Exports.....	3	2	5,068	5,393	5,898	5,835	6,232	6,197	6,417	6,631	5,679	5,933	6,887	6,968
3	Imports.....	15	10	-4,060	-4,214	-4,595	-4,282	-4,410	-4,591	-4,738	-4,915	-4,690	-5,482	-5,594	-5,770
4	Military transactions, net.....	4, 16	7, 17	-570	-553	-560	-577	-548	-580	-507	-498	-409	-631	-534	-689
5	Travel and transportation, net.....	8, 7, 17, 18	4, 5, 8, 18, 19, 20	-339	-294	-341	-338	-233	-268	-300	-298	-378	-331	-289	-310
6	Investment income, net ³	8, 11, 20	20, 11	1,047	869	1,023	1,000	1,201	1,206	1,263	1,179	1,374	1,402	1,349	1,175
7	U.S. direct investment abroad.....	12, 13	17, 12	1,015	857	977	1,070	1,178	1,151	1,171	1,186	1,305	1,354	1,277	1,225
8	Other U.S. investment abroad.....	12, 13	17, 12	337	309	337	337	423	429	492	397	487	503	506	437
9	Foreign investments in the United States.....	21, 22	24, 25	-376	-337	-361	-371	-370	-375	-373	-404	-418	-455	-440	-487
10	Other services, net.....	9p, 10, 19p, 20	7, 8, 9, 21, 22, 23	52	51	90	57	19	57	52	43	85	81	90	76
11	Balance on goods and services ⁴			1,182	1,572	1,490	1,794	2,294	1,964	2,169	2,162	1,411	2,072	1,894	1,582
12	Remittances, pensions and other transfers.....	27, 30	31, 32	-318	-199	-205	-203	-209	-230	-221	-228	-233	-303	-260	-241
13	Balance on goods, services and remittances.....			863	1,373	1,285	1,591	2,085	1,734	1,948	1,934	1,178	1,769	1,634	1,341
14	U.S. Government grants (excluding military).....	29	30	-422	-471	-497	-528	-446	-500	-461	-482	-411	-477	-461	-459
15	Balance on current account ⁵			544	902	788	1,063	1,639	1,234	1,487	1,452	667	1,292	1,173	851
16	U.S. Government capital flows excluding nonsheduled repayments, net ⁶	42, 43, 44	24, 24, 26	-500	-588	-229	-466	-335	-419	-447	-508	-478	-541	-437	-483
17	Nonsheduled repayments of U. S. Government assets.....	45	27	20	34	241	25	57	33	31	7	19	8	182	23
18	U.S. Government nonliquid liabilities to other than foreign official reserve agencies.....	57p, 58p	55	31	138	179	166	136	37	32	122	24	171	-2	-139
19	Long-term private capital flows, net.....			-1,136	-957	-451	-782	-737	-597	-1,258	-1,578	-1,570	-1,101	-1,118	-789
20	U.S. direct investment abroad.....	23	38	-630	-492	-234	-520	-462	-613	-894	-888	-1,245	-879	-635	-704
21	Foreign direct investment in the United States.....	32	38	-5	47	40	-57	17	29	-27	-24	84	-85	44	22
22	Foreign securities.....	34, 35, 36	40	-522	-538	-100	53	-290	-290	-2	-494	-195	-147	-209	-205
23	U.S. securities other than Treasury issues.....	35	40	14	114	52	103	42	14	-24	-20	57	-242	-327	55
24	Other, reported by U.S. banks.....	37, 54p	41, 52	30	-194	-109	-174	-238	-64	-240	-311	-285	273	-76	100
25	Other, reported by U.S. nonbanking concerns.....	38, 55	44, 50	-53	54	-5	153	-32	-67	-259	-185	14	-11	-10	-82
26	Balance on current account and long-term capital ⁷			-1,050	-623	387	2	944	26	-136	-415	-908	-173	-187	-597
27	Nonliquid short-term private capital flows, net.....			-176	-157	-178	-255	-657	-370	-477	-381	-299	75	14	-80
28	Claims reported by U.S. banks.....	38p	42	16	-214	-190	-262	-478	-251	-300	-320	-174	29	9	-64
29	Claims reported by U.S. nonbanking concerns.....	40p	45	-60	32	3	-28	-87	-65	-237	-85	-30	-21	-34	-33
30	Liabilities reported by U.S. nonbanking concerns.....	55	51	-30	65	17	-75	8	19	85	24	-5	68	30	47
31	Allocations of special drawing rights (SDR) ⁸	52	53												
32	Errors and omissions, net.....	53	54	-168	-126	-367	174	-333	-184	-271	-292	28	-96	-430	-9
33	Net liquidity balance.....			-1,218	-749	-177	-179	-146	-521	-332	-1,367	-1,181	-198	-642	-598
34	Liquid private capital flows, net.....			208	-82	96	276	-59	-71	580	745	415	378	532	-220
35	Liquid claims.....			112	-243	116	70	-83	-221	164	-98	422	338	94	179
36	Reported by U.S. banks.....	38p	43	525	-81	58	136	4	-208	181	-106	108	109	48	170
37	Reported by U.S. nonbanking concerns.....	40p	46	37	-252	58	-96	-87	-58	-27	19	314	134	45	3
38	Liquid liabilities.....	50p, 50p	56	104	251	-20	205	14	253	422	855	-7	-7	689	-203
39	To foreign commercial banks.....			188	190	-108	200	44	221	468	721	-45	-63	623	-266
40	To international and regional organizations.....			-65	-49	-18	-108	-80	-24	-141	8	-68	-20	-47	-142
41	To other foreigners.....			79	110	80	113	56	40	116	126	104	82	72	45
42	Official reserve transactions balance.....			-804	-658	-61	90	-214	-584	-298	-532	-775	183	26	-785
43	Financed by changes in: Nonliquid liabilities to foreign official reserve agencies reported by U.S. Government.....	57p, 58p	54	24	-68	-184	22	-63	-14	194	22	-8	-8	-8	145
44	Nonliquid liabilities to foreign official agencies reported by U.S. banks.....	54p	53		9			20	44	16	04	-21	-20	-10	26
45	Liquid liabilities to foreign official agencies.....	50p, 50p	57	927	591	-22	-113	302	359	17	687	-96	-214	-47	339
46	U.S. official reserve assets, net.....	48	58	23	123	227	-5	-51	303	70	-151	842	68	41	271
47	Gold.....	47	59	111	116	195	38	46	-73	-22	172	332	590	194	119
48	SDR.....	48	60												
49	Convertible currencies.....	49	61	-33	0	-29	-58	-228	268	-45	-206	-23	-50	-413	178
50	Gold tranche position in IMF.....	50	62	-90	1	49	15	121	118	136	-118	66	-496	330	-26
Memoranda:															
51	Transfers under military grant programs, (excluded from lines 2, 4, and 14).....	14		478	447	326	311	312	334	333	369	372	458	398	402
52	Reinvested earnings of foreign incorporated affiliates of U.S. firms (excluded from lines 7 and 20).....			n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
53	Reinvested earnings of U.S. incorporated affiliates of foreign firms (excluded from lines 8 and 21).....			n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
54	LIQUIDITY BALANCE, excluding allocations of SDR.....	56, 57, 58, 59		-1,153	-1,763	-165	-87	-386	-724	-519	-1,291	-789	153	-632	-217
Not seasonally adjusted															
55	Balance on goods and services.....			1,381	1,718	615	2,072	2,432	2,150	1,847	2,092	1,761	2,219	879	2,142
56	Balance on goods, services and remittances.....			1,176	1,530	406	2,069	2,234	1,930	1,122	2,487	1,574	1,966	724	1,604
57	Balance on current account.....			729	1,010	-80	1,086	1,761	1,577	683	2,014	1,130	1,880	504	1,472
58	Balance on current account and long-term capital ⁹			-754	-978	-280	421	857	-46	-608	-79	-680	-228	-832	43
59	Net liquidity balance.....			-782	-231	-189	-237	410	-311	-1,432	-1,412	-514	-118	-1,137	-726
60	Official reserve transactions balance.....			-341	-694	-492	-143	679	-554	-674	-783	49	68	-278	-1,121

p. Part of line. n.e.s. Not elsewhere shown. n.a. Not available. ¹Old table 1 refers to table published in balance of payments article in the March 1971 Survey. ²Less than \$500,000 (\$).

³Adjusted to balance of payments basis; excludes exports under U.S. military agency sales contracts and imports of U.S. military agencies.

⁴Includes fees and royalties from U.S. direct investment abroad or from foreign direct investment in the United States.

⁵Equal to net exports of goods and services in national income and product accounts of

the United States.

⁶Thousand of lines 15 and 31 is equal to "net foreign investment" in the national income and product accounts of the United States.

⁷Includes some short-term U.S. Government assets.

⁸Coverage of liquid banking claims for 1960-1963 and of liquid nonbanking claims for 1960-1962 is limited to foreign currency deposits only; other liquid items are not available separately and are included with nonliquid claims.

Table 2.—U.S. International Transactions

(Millions of dollars)

Line	(Credits+; details—)	1960				1961				1962			
		I	II	III	IV	I	II	III	IV	I	II	III	IV
1	Exports of goods and services ¹	8,299	7,077	8,782	7,333	8,097	7,129	9,854	7,746	7,133	7,000	7,272	8,487
2	Merchandise, adjusted, excluding military ²	4,664	5,008	4,730	5,192	5,002	4,970	4,718	5,357	5,037	5,513	4,980	5,249
3	Transfers under U.S. military agency sales contracts.....	46	122	58	84	71	130	89	52	84	238	127	206
4	Travel.....	163	245	298	152	188	260	299	200	205	274	294	186
5	Passenger fares.....	37	46	53	33	51	57	57	43	87	62	59	43
6	Other transportation.....	327	411	410	298	383	413	394	426	417	441	452	494
7	Fees and royalties from unaffiliated foreigners.....	62	69	62	68	61	61	61	61	64	64	64	64
8	Other private services.....	114	116	110	118	123	123	120	128	121	122	129	128
9	U.S. Government miscellaneous services.....	30	30	43	39	40	41	41	48	44	48	52	62
10	Receipts of income on U.S. investments abroad:												
11	Direct investment fees and royalties.....	134	135	145	176	150	163	130	191	178	198	200	224
12	Direct investment interest, dividends and branch earnings ¹	618	504	539	752	640	621	642	604	643	689	645	1,067
13	Other private assets.....	147	157	160	153	164	167	167	168	219	224	225	236
14	U.S. Government assets.....	30	57	86	140	65	93	61	104	72	120	91	182
15	Transfers of goods and services under U.S. military grant programs, net.....	443	622	263	416	334	533	257	351	330	620	316	505
16	Imports of goods and services.....	-5,778	-6,084	-8,003	-5,441	-5,332	-5,690	-8,138	-8,987	-5,822	-6,415	-6,972	-6,438
17	Merchandise, adjusted, excluding military ²	-3,895	-3,809	-3,558	-3,488	-3,404	-3,404	-3,688	-3,606	-3,948	-4,090	-3,973	-4,200
18	Direct defense expenditures.....	-751	-709	-601	-737	-758	-757	-705	-727	-770	-763	-761	-810
19	Travel.....	-281	-471	-608	-330	-354	-403	-678	-300	-283	-600	-748	-387
20	Passenger fares.....	-161	-162	-170	-82	-78	-243	-168	-75	-80	-200	-177	-94
21	Other transportation.....	-320	-309	-368	-339	-334	-304	-370	-303	-347	-389	-384	-417
22	Fees and royalties to unaffiliated foreigners.....	-10	-10	-10	-10	-12	-12	-12	-12	-11	-11	-11	-11
23	Private payments for other services.....	-91	-95	-116	-115	-91	-94	-113	-113	-84	-80	-95	-92
24	U.S. Government payments for miscellaneous services.....	-64	-70	-110	-68	-88	-77	-160	-61	-82	-75	-143	-99
25	Payments of income on foreign investments in the United States:												
26	Direct investment fees and royalties.....	-8	-8	-11	-8	-0	-10	-12	-11	-13	-12	-19	-14
27	Direct investment interest, dividends and branch earnings ¹	-37	-66	-47	-60	-48	-48	-47	-54	-44	-43	-40	-59
28	Other private liabilities.....	-124	-127	-127	-125	-127	-129	-128	-151	-145	-146	-139	-156
29	U.S. Government liabilities.....	-191	-86	-77	-68	-69	-65	-68	-76	-50	-84	-86	-90
30	U.S. military grants of goods and services, net.....	-443	-622	-263	-416	-334	-533	-257	-351	-330	-620	-316	-505
31	Unilateral transfers (excluding military grants), net.....	-534	-575	-578	-646	-611	-632	-561	-689	-708	-653	-646	-661
32	U.S. Government grants (excluding military):												
33	U.S. Government pensions and other transfers.....	-381	-416	-417	-448	-430	-436	-413	-470	-538	-547	-430	-485
34	Private remittances and other transfers.....	-57	-108	-108	-111	-69	-100	-112	-109	-104	-120	-113	-117
35	U.S. Government capital flows, net.....	-230	-380	-155	-339	-333	-414	-461	-459	-287	-480	35	-377
36	Loans and other long-term assets:												
37	Foreign currencies and other short-term assets.....	-238	-333	-234	-388	-400	-300	-337	-684	-479	-607	-480	-667
38	Repayments on credits:												
39	Scheduled.....	132	108	160	153	96	192	78	210	129	184	110	207
40	Nonscheduled.....	17	5	24	7	9	64	6	51	1	88	470	145
41	U.S. private capital flows, net.....	-611	-733	-646	-1,545	-1,032	-922	-870	-1,497	-1,634	-672	-920	-1,210
42	Direct investments abroad ¹	-305	-312	-320	-728	-458	-324	-385	-443	-234	-470	-343	-601
43	Foreign securities.....	-266	-106	-111	-120	-136	-280	-124	-267	-166	-308	-87	-376
44	Claims reported by U.S. banks:												
45	Long-term.....	12	-00	-27	-72	82	-34	-16	-300	-119	-36	6	24
46	Short-term, nonliquid.....	-128	-118	-337	-408	-240	-150	-236	-475	-341	-101	-82	-270
47	Short-term, liquid.....	24	-10	-74	-26	-17	-3	16	-122	-79	-2	-20	-65
48	Claims reported by U.S. nonbanking concerns:												
49	Long-term.....	-2	-12	-7	-24	-31	-3	-44	-49	-88	-23	-40	-3
50	Short-term, nonliquid.....	8	-137	-70	-104	-106	-134	-113	-34	-158	-46	-174	-100
51	Short-term, liquid.....	5	-8	0	6	-6	-33	-6	-17	6	-35	-12	-17
52	Foreign capital flows, net.....	690	644	501	79	159	690	1,152	623	363	520	-36	825
53	Direct investments in the United States ¹	40	58	53	-11	20	32	-5	20	41	77	0	8
54	U.S. securities other than Treasury issues.....	170	116	6	-11	104	142	3	66	146	7	-23	6
55	Other U.S. nonliquid liabilities to private foreigners:												
56	Long-term, reported by U.S. nonbanking concerns.....	4	3	-6	-1	-3	-8	20	35	8	-16	3	7
57	Short-term, reported by U.S. nonbanking concerns.....	-6	-68	-6	-27	75	30	-12	22	-22	-40	13	-54
58	Long-term, reported by U.S. banks.....	1	1	1	3	1	-1	-4	-1	-1	-1	4	2
59	Long-term liabilities to foreign official agencies reported by U.S. banks.....												
60	Nonliquid liabilities reported by U.S. Government:												
61	To foreign official reserve agencies.....	178	-47	3	83	-10	-54	-8	96	28	-80	44	200
62	To other official and private foreigners.....												222
63	U.S. liquid liabilities:												
64	To private foreigners.....	444	281	40	-437	-81	503	229	376	702	22	-438	-51
65	To foreign official agencies.....	-140	502	416	480	62	-220	827	26	-588	577	386	494
66	Transactions in U.S. official reserve assets, net.....	139	94	700	1,071	271	-220	-222	706	427	-164	331	389
67	Gold.....	40	94	636	921	373	-170	140	310	304	110	448	24
68	SDR.....												
69	Convertible currencies.....												
70	Gold tranche position in IMF.....	160	81	102	160	25	11	-483	312	237	44	331	14
71	Allocations of special drawing rights (SDR).....												
72	Errors and omissions, net.....	-65	-228	-228	-600	-180	-388	78	-603	120	-273	-451	-725

¹ Less than \$500,000 (±).

1. Credits +: Exports of goods and services; unilateral transfers to U.S.; capital inflows (increase in U.S. liabilities or decrease in U.S. assets); decrease in U.S. official reserve assets.

Debits, -: Imports of goods and services; unilateral transfers to foreign; capital outflows (decrease in U.S. liabilities or increase in U.S. assets); increase in U.S. official reserve assets.

2. Excludes transfers of goods and services under U.S. military grant programs.

Table 2.—U.S. International Transactions

(Millions of dollars)

Line	(Credits +, debits -)	1963				1964				1965			
		I	II	III	IV	I	II	III	IV	I	II	III	IV
1	Exports of goods and services ¹	7,493	8,388	7,759	9,881	9,908	9,393	8,887	10,114	8,646	10,471	9,583	10,729
2	Merchandise, adjusted, excluding military ²	5,814	5,706	5,267	6,296	6,197	5,257	4,861	5,542	5,638	7,087	6,377	7,305
3	Transfers under U.S. military agency sales contracts	180	348	300	145	190	187	182	201	200	225	194	211
4	Travel	205	284	308	215	247	334	384	322	371	377	410	316
5	Passenger fares	38	57	64	47	46	64	79	35	50	66	94	82
6	Other transportation	167	227	244	168	201	270	305	287	321	311	316	234
7	Fees and royalties from unaffiliated foreigners	98	85	98	69	75	75	75	75	84	84	84	84
8	Other private services	130	131	134	134	133	140	144	144	157	150	160	168
9	U.S. Government miscellaneous services	59	89	88	82	60	66	67	73	69	73	74	79
10	Receipts of income on U.S. investments abroad:												
11	Direct investment fees and royalties	210	207	205	268	227	241	239	296	275	277	286	302
12	Direct investment interest, dividends and branch earnings ³	781	718	685	967	933	981	903	1,046	1,001	1,054	948	1,034
13	Other private assets	283	267	254	278	291	316	300	345	349	308	341	371
14	U.S. Government assets	88	108	109	193	89	115	119	129	105	135	119	150
15	Transfers of goods and services under U.S. military grant programs, net	457	571	594	244	397	529	519	294	373	556	371	329
16	Imports of goods and services	-6,432	-6,870	-7,115	-5,399	-6,870	-7,163	-7,529	-7,437	-5,889	-6,233	-6,553	-5,984
17	Merchandise, adjusted, excluding military ²	-2,134	-4,333	-4,329	-4,535	-4,346	-4,494	-4,089	-5,060	-4,905	-5,491	-5,499	-5,906
18	Direct defense expenditures	-768	-748	-726	-726	-747	-737	-690	-697	-676	-710	-763	-794
19	Travel	-220	-340	-331	-414	-341	-372	-352	-445	-408	-377	-329	-473
20	Passenger fares	-111	-209	-191	-204	-100	-235	-202	-209	-149	-256	-203	-122
21	Other transportation	-109	-230	-240	-210	-141	-237	-250	-236	-159	-221	-126	-351
22	Fees and royalties to unaffiliated foreigners	-13	-13	-13	-13	-15	-15	-15	-15	-17	-17	-17	-17
23	Private payments for other services	-74	-79	-81	-88	-81	-87	-100	-95	-73	-72	-60	-78
24	U.S. Government payments for miscellaneous services	-94	-92	-167	-103	-137	-130	-164	-134	-122	-121	-160	-130
25	Payments of income on foreign investments in the United States:												
26	Direct investment fees and royalties	-12	-30	-17	-14	-14	-19	-10	-20	-20	-18	-15	-16
27	Direct investment interest, dividends and branch earnings ³	-59	-47	-41	-77	-53	-60	-58	-63	-53	-76	-50	-112
28	Other private liabilities	-184	-171	-171	-199	-188	-194	-192	-223	-223	-224	-231	-269
29	U.S. Government liabilities	-91	-96	-104	-110	-111	-110	-100	-123	-122	-118	-118	-131
30	U.S. military grants of goods and services, net	-507	-571	-594	-244	-397	-529	-519	-294	-373	-556	-371	-329
31	Unilateral transfers (excluding military grants), net	-632	-708	-676	-706	-670	-753	-684	-672	-661	-634	-635	-670
32	U.S. Government grants (excluding military)	-447	-500	-457	-504	-473	-533	-490	-453	-440	-517	-430	-431
33	U.S. Government pensions and other transfers	-69	-68	-63	-64	-67	-66	-72	-74	-74	-136	-83	-77
34	Private remittances and other transfers	-130	-142	-146	-128	-131	-154	-159	-159	-147	-173	-172	-161
35	U.S. Government capital flows, net	-181	-225	-79	-465	-354	-467	-393	-356	-351	-433	-235	-481
36	Loans and other long-term assets	-501	-524	-444	-472	-537	-703	-605	-540	-543	-690	-479	-631
37	Foreign currencies and other short-term assets	-50	-288	-31	-180	69	73	22	-182	141	-94	-115	61
38	Repayments on credits:												
39	Scheduled	125	131	164	241	147	130	159	169	162	165	176	157
40	Nonscheduled ⁴	28	34	241	24	22	33	31	7	30	6	182	28
41	U.S. private capital flows, net	-1,002	-1,718	-277	-1,681	-1,339	-1,572	-1,244	-1,498	-1,579	-1,533	-1,496	-1,236
42	Direct investments abroad ⁵	-683	-622	-301	-707	-430	-626	-491	-781	-1,160	-944	-941	-883
43	Foreign securities	-628	-436	-100	83	30	-206	2	-404	-196	-147	-289	-205
44	Claims reported by U.S. banks:												
45	Long-term	27	-178	-116	-445	-249	-72	-236	-382	-641	201	-41	69
46	Short-term, nonliquid	459	-321	10	-494	-426	-196	-182	-680	-112	65	163	-286
47	Short-term, liquid	25	-81	88	-38	29	-338	246	-121	138	121	117	192
48	Claims reported by U.S. nonbanking concerns:												
49	Long-term	-47	50	1	168	-27	-67	-271	-130	4	-9	-30	-66
50	Short-term, nonliquid	-16	97	-3	-72	-42	-68	-237	-134	23	-24	-29	-92
51	Short-term, liquid	-1	-226	29	184	-177	-23	-52	99	219	212	30	85
52	Foreign capital flows, net	749	1,285	548	421	-94	393	1,129	1,158	-312	-297	789	383
53	Direct investments in the United States ⁶	-5	47	40	-57	17	29	-27	-24	86	-85	44	32
54	U.S. securities other than Treasury issues	14	114	52	103	-43	14	-20	-26	57	-242	-227	55
55	Other U.S. nonliquid liabilities to private foreigners:												
56	Long-term, reported by U.S. nonbanking concerns	-6	4	-0	-5	-3	(*)	-28	-5	8	-6	10	16
57	Short-term, reported by U.S. nonbanking concerns	-30	85	17	-78	0	19	68	24	-5	68	39	47
58	Long-term, reported by U.S. banks	8	24	13	14	10	8	-1	21	73	72	-38	31
59	Long-term liabilities to foreign official agencies reported by U.S. banks					30	44	16	94	-21	-29	-16	28
60	Nonliquid liabilities reported by U.S. Government:												
61	To foreign official reserve agencies	23	-81	-99	-1	-34	-7	202	-1		-1		721
62	To other official and private foreigners	97	37	118	299	101	-44	-24	234	41	121	-52	-65
63	U.S. liquid liabilities:												
64	To private foreigners	307	141	69	32	226	116	582	661	291	-140	712	-632
65	To foreign official agencies	270	825	321	151	-399	274	389	371	-861	-187	263	987
66	Transactions in U.S. official reserve assets, net	21	123	227	-5	-51	301	19	-151	342	86	41	271
67	Gold	111	116	190	38	40	-73	-29	172	332	600	124	119
68	SDR												
69	Convertible currencies	-34	5	-28	-68	-228	228	-46	-205	-58	-63	-412	178
70	Gold transfer position in IMF	-46	1	43	15	131	118	138	-118	98	-483	330	-28
71	Allocations of special drawing rights (SDR)												
72	Errors and omissions, net	14	4	-227	-170	-80	-21	-283	-673	274	64	-482	-429

1. Excludes exports of goods under U.S. military agency sales contracts identified in Census export documents, and imports of goods included under direct defense expenditures identified in Census import documents, and reflects various other balance-of-payments adjustments (for valuation, coverage, and timing) to Census statistics.

2. Excludes reinvested earnings of foreign incorporated affiliates of U.S. firms or of U.S. incorporated affiliates of foreign firms.

3. Includes sales of foreign obligations to foreigners.

4. Coverage of liquid banking claims for 1960-63 and of liquid nonbanking claims for 1960-63

is limited to foreign currency deposits only; other liquid items are not available separately and are included with nonliquid claims.

NOTE: Details may not add to totals because of rounding.

SOURCE: U.S. Department of Commerce, Office of Business Economics.

Table 3.—U.S. International Transactions—Seasonally Adjusted

(Millions of dollars)

Line	(Credits +; debits -)	1960				1961				1962			
		I	II	III	IV	I	II	III	IV	I	II	III	IV
1	Exports of goods and services ¹	5,528	5,522	7,134	7,099	7,198	8,041	7,228	7,416	7,334	7,738	7,738	7,557
2	Merchandise, adjusted, excluding military ²	4,884	4,916	6,032	5,916	5,086	4,908	5,037	5,169	5,077	5,330	5,332	5,035
3	Transfers under U.S. military agency sales contracts.....	71	89	88	80	84	112	111	94	110	159	154	204
4	Travel.....	224	227	237	231	228	237	240	242	247	260	231	220
5	Passenger fares.....	49	42	43	46	42	48	47	47	47	49	47	46
6	Other transportation.....	406	400	407	385	386	403	390	421	438	482	440	454
7	Fees and royalties from unaffiliated foreigners.....	62	62	62	62	61	61	61	61	64	64	64	64
8	Other private services.....	114	115	119	118	123	123	123	123	123	123	123	125
9	U.S. Government miscellaneous services.....	38	26	42	28	40	41	41	43	44	48	42	52
10	Receipts of income on U.S. investments abroad:												
11	Direct investment fees and royalties.....	140	138	152	160	167	168	167	172	180	202	211	202
12	Direct investment interest, dividends and branch earnings ¹	571	592	549	622	687	680	715	714	678	726	790	804
13	Other private assets.....	161	158	164	178	188	192	203	211	211	216	222	223
14	U.S. Government assets.....	84	63	112	91	92	102	83	104	102	137	114	119
15	Transfers of goods and services under U.S. military grant programs, net.....	689	539	401	699	335	301	302	401	413	459	251	507
16	Imports of goods and services.....	-5,099	-5,017	-6,324	-6,076	-5,565	-5,991	-5,935	-6,070	-6,194	-6,332	-6,371	-6,482
17	Merchandise, adjusted, excluding military ²	-3,511	-3,354	-3,640	-3,433	-3,350	-3,432	-3,304	-3,362	-3,350	-4,074	-4,180	-4,076
18	Direct defense expenditures.....	-291	-706	-601	-737	-783	-781	-706	-727	-770	-783	-761	-810
19	Travel.....	-130	-427	-437	-431	-440	-437	-442	-464	-468	-483	-466	-502
20	Passenger fares.....	-140	-114	-127	-133	-115	-132	-133	-135	-130	-148	-141	-161
21	Other transportation.....	-248	-269	-355	-342	-354	-353	-356	-368	-369	-383	-370	-416
22	Fees and royalties to unaffiliated foreigners.....	-30	-19	-30	-10	-12	-12	-12	-12	-11	-11	-11	-31
23	Private payments for other services.....	-103	-103	-104	-107	-103	-101	-102	-106	-93	-90	-87	-87
24	U.S. Government payments for miscellaneous services.....	-74	-62	-78	-70	-601	-63	-100	-103	-92	-93	-105	-110
25	Payments of income on foreign investments in the United States:												
26	Direct investment fees and royalties.....	-8	-3	-11	-8	-9	-10	-13	-11	-15	-12	-18	-14
27	Direct investment interest, dividends and branch earnings ¹	-59	-58	-57	-40	-48	-61	-51	-44	-45	-40	-49	-46
28	Other private liabilities.....	-126	-137	-123	-128	-128	-129	-125	-143	-148	-147	-148	-147
29	U.S. Government liabilities.....	-101	-80	-77	-88	-80	-85	-68	-70	-80	-84	-88	-90
30	U.S. military grants of goods and services, net.....	-699	-539	-401	-699	-335	-301	-302	-401	-413	-459	-251	-507
31	Unilateral transfers (excluding military grants), net.....	-510	-551	-600	-633	-635	-635	-601	-659	-697	-639	-632	-562
32	U.S. Government grants (excluding military).....	-332	-400	-443	-463	-468	-467	-437	-493	-515	-444	-457	-504
33	U.S. Government pensions and other transfers.....	-63	-50	-63	-68	-63	-63	-64	-67	-68	-68	-68	-60
34	Private remittances and other transfers.....	-94	-101	-104	-113	-106	-103	-108	-130	-114	-117	-117	-130
35	U.S. Government capital flows, net.....	-221	-244	-182	-300	-222	-209	-209	-514	-311	-384	8	-307
36	Loans and other long-term assets.....	-247	-236	-264	-369	-418	-265	-666	-628	-483	-474	-520	-648
37	Foreign currencies and other short-term assets.....	-167	-125	-155	-131	-104	-82	-24	-41	-84	-131	-70	49
38	Repayments on credits:												
39	Scheduled.....	160	112	133	125	125	201	100	162	164	165	121	140
40	Nonscheduled ¹	17	5	24	7	6	634	6	61	1	48	476	145
41	U.S. private capital flows, net.....	-683	-680	-1,216	-1,338	-1,433	-912	-990	-1,359	-1,449	-830	-354	-694
42	Direct investments abroad ¹	-343	-782	-434	-634	-490	-284	-483	-338	-272	-429	-498	-435
43	Foreign securities.....	-280	-108	-111	-120	-138	-248	-124	-297	-196	-306	-87	-378
44	Claims reported by U.S. banks:												
45	Long-term.....	12	-64	-27	-73	82	-34	-15	-149	-110	-38	5	24
46	Short-term, nonliquid.....	-132	-104	-110	-140	-122	-122	-220	-247	-352	-140	-119	-87
47	Short-term, liquid.....	24	19	74	25	10	3	15	122	78	2	25	65
48	Claims reported by U.S. nonbanking concerns:												
49	Long-term.....	-2	-12	-2	-24	-31	-3	-44	-48	-68	-23	-40	-3
50	Short-term, nonliquid.....	436	104	166	120	121	122	100	102	125	135	102	127
51	Short-term, liquid.....	5	3	8	6	5	33	5	17	6	15	12	17
52	Foreign capital flows, net.....	687	677	220	26	494	512	610	434	607	636	-341	715
53	Direct investments in the United States ¹	49	58	23	-11	20	32	-5	25	41	77	6	8
54	U.S. securities other than Treasury issues.....	170	128	4	-11	104	162	3	68	146	7	-23	0
55	Other U.S. nonliquid liabilities to private foreigners:												
56	Long-term, reported by U.S. nonbanking concerns.....	6	3	-5	-1	-3	-3	28	26	8	-15	3	7
57	Short-term, reported by U.S. nonbanking concerns.....	-5	-63	-6	-27	76	80	-12	32	-22	-48	13	-64
58	Long-term, reported by U.S. banks.....	1	1	1	3	1	1	-4	-1	-1	-1	4	2
59	Long-term liabilities to foreign official agencies reported by U.S. banks.....												
60	Nonliquid liabilities reported by U.S. Government:												
61	To foreign official reserve agencies.....												
62	To other official and private foreigners.....	382	-1	44	-10	-14	6	42	-10	18	-21	80	118
63	U.S. liquid liabilities:												
64	To private foreigners.....	286	307	6	-201	-240	618	180	634	538	160	-512	109
65	To foreign official agencies.....	240	422	231	374	366	-307	879	-39	-11	529	79	321
66	Transactions in U.S. official reserve assets, net.....	169	125	746	1,071	371	-230	-212	796	437	-304	661	309
67	Gold.....	28	94	688	921	371	-170	150	510	354	130	440	24
68	SDR.....												
69	Convertible currencies.....												
70	Gold tranche position in IMF.....	109	81	108	166	20	11	-82	312	237	44	331	14
71	Allocations of special drawing rights (SDR).....												
72	Errors and omissions, net.....	-203	-209	-281	-292	-282	-642	64	-319	-107	-200	-428	-515

¹ Less than \$500,000 (a).

1. Credits +; Exports of goods and services; unilateral transfers to U.S.; capital inflows (decrease in U.S. liabilities or increase in U.S. assets); increase in U.S. official reserve assets.

Debits -; Imports of goods and services; unilateral transfers to foreigners; capital outflows (decrease in U.S. liabilities or increase in U.S. assets); increase in U.S. official reserve assets.

2. Excludes transfers of goods and services under U.S. military grant programs.

Table 3.—U.S. International Transactions—Seasonally Adjusted

(Millions of dollars)

Line	(Credits+; debits-)	1963				1964				1965			
		I	II	III	IV	I	II	III	IV	I	II	III	IV
1	Exports of goods and services ¹	7,804	8,363	8,222	8,617	9,828	9,793	9,434	9,866	8,858	10,349	10,128	10,878
2	Merchandise, adjusted, excluding military ²	6,008	6,093	6,600	6,934	8,223	8,107	8,413	8,631	6,879	8,933	8,887	9,868
3	Transfers under U.S. military agency sales contracts.....	187	159	127	148	161	162	190	190	307	188	229	286
4	Travel.....	240	293	293	264	292	297	303	316	316	327	347	377
5	Passenger fares.....	46	54	60	45	60	61	61	63	64	64	71	72
6	Other transportation.....	404	439	433	419	432	436	442	453	452	463	476	475
7	Fees and royalties from unaffiliated foreigners.....	68	68	66	68	75	76	79	74	84	84	84	84
8	Other private services.....	134	131	134	124	128	140	144	144	167	164	160	160
9	U.S. Government miscellaneous services.....	56	59	56	62	66	66	67	73	69	72	74	70
10	Receipts of income on U.S. investments abroad:												
11	Direct investment fees and royalties.....	217	214	217	242	245	250	251	257	268	268	266	317
12	Direct investment interest, dividends and branch earnings ³	798	743	766	828	823	901	820	916	1,028	1,008	908	908
13	Other private assets.....	230	251	262	279	296	306	318	357	347	357	367	362
14	U.S. Government assets.....	121	118	133	124	127	128	147	60	149	148	149	75
15	Transfers of goods and services under U.S. military grant programs, net.....	474	447	428	411	403	438	454	458	472	454	438	438
16	Imports of goods and services.....	-6,413	-6,828	-6,792	-6,826	-6,906	-7,068	-7,239	-7,984	-7,247	-8,177	-8,339	-8,828
17	Merchandise, adjusted, excluding military ²	-4,960	-4,214	-4,385	-4,383	-4,904	-4,561	-4,736	-4,916	-4,980	-5,487	-5,844	-5,770
18	Direct defense expenditures.....	-783	-788	-720	-735	-747	-737	-699	-607	-670	-719	-703	-704
19	Travel.....	-203	-228	-245	-241	-231	-244	-245	-281	-200	-203	-230	-225
20	Passenger fares.....	-104	-144	-153	-162	-163	-167	-169	-158	-100	-179	-187	-186
21	Other transportation.....	-413	-414	-438	-437	-440	-451	-450	-461	-190	-208	-194	-223
22	Fees and royalties to unaffiliated foreigners.....	-13	-18	-13	-13	-15	-15	-15	-15	-17	-17	-17	-17
23	Private payments for other services.....	-82	-83	-83	-84	-85	-81	-82	-93	-70	-74	-75	-77
24	U.S. Government payments for miscellaneous services.....	-107	-111	-118	-111	-111	-117	-127	-121	-132	-140	-134	-144
25	Payments of income on foreign investments in the United States:												
26	Direct investment fees and royalties.....	-13	-16	-17	-14	-14	-16	-16	-20	-20	-18	-16	-16
27	Direct investment interest, dividends and branch earnings ³	-80	-63	-81	-79	-84	-61	-47	-60	-55	-90	-67	-87
28	Other private liabilities.....	-101	-173	-179	-188	-198	-201	-211	-221	-229	-240	-234	-234
29	U.S. Government liabilities.....	-91	-50	-104	-110	-111	-110	-109	-129	-122	-138	-118	-131
30	U.S. military grants of goods and services, net.....	-476	-447	-438	-411	-412	-428	-438	-458	-421	-454	-438	-438
31	Unilateral transfers (excluding military grants), net.....	-635	-678	-743	-743	-654	-719	-680	-716	-644	-730	-711	-768
32	U.S. Government grants (excluding military).....	-422	-471	-497	-528	-445	-500	-481	-482	-411	-477	-461	-450
33	U.S. Government pensions and other transfers.....	-89	-86	-63	-64	-67	-89	-72	-75	-74	-135	-82	-77
34	Private remittances and other transfers.....	-147	-158	-142	-141	-143	-140	-149	-148	-148	-168	-168	-154
35	U.S. Government capital flows, net.....	-670	-654	-80	-446	-333	-388	-410	-491	-308	-335	-335	-444
36	Loans and other long-term assets.....	-637	-681	-488	-577	-502	-630	-683	-618	-562	-642	-651	-687
37	Foreign currencies and other short-term assets.....	-98	-261	-37	-71	-2	37	37	-141	62	-70	-85	-100
38	Repurchases on credits:												
39	Scheduled.....	160	144	184	183	180	144	181	101	172	180	200	98
40	Nonscheduled ⁴	26	34	241	24	62	33	81	7	18	6	189	23
41	U.S. private capital flows, net.....	-1,043	-1,723	-820	-3,417	-1,363	-1,587	-1,699	-2,638	-1,696	-441	-438	-637
42	Direct investments abroad ⁵	-620	-492	-334	-630	-402	-613	-604	-688	-1,246	-879	-635	-709
43	Foreign securities.....	-222	-520	-100	63	20	-200	2	-494	-198	-347	-208	-365
44	Claims reported by U.S. banks:												
45	Long-term.....	27	-178	-116	-418	-298	-72	-236	-382	-461	201	-41	69
46	Short-term, nonliquid.....	14	-314	-196	-222	-475	-288	-303	-320	-274	29	6	-81
47	Short-term, liquid.....	23	-81	68	-30	4	-268	151	-100	103	109	48	170
48	Claims reported by U.S. nonbanking concerns:												
49	Long-term.....	-47	50	1	128	-37	-57	-271	-130	6	-6	-28	-88
50	Short-term, nonliquid.....	-60	92	3	-28	-87	-63	-237	-35	-30	-22	-34	-34
51	Short-term, liquid.....	87	-269	50	100	-87	-58	-27	18	314	134	48	3
52	Foreign capital flows, net.....	1,152	1,478	127	330	499	569	689	1,694	221	-232	286	193
53	Direct investments in the United States ⁵	-6	47	40	-87	17	29	-27	-24	55	-96	44	20
54	U.S. securities other than Treasury issues.....	14	114	52	103	-42	14	-30	-28	67	-242	-227	55
55	Other U.S. nonliquid liabilities to private foreigners:												
56	Long-term, reported by U.S. nonbanking concerns.....	-6	4	-6	-6	-6	(*)	-28	-6	5	-5	10	10
57	Short-term, reported by U.S. nonbanking concerns.....	-30	66	17	-26	6	19	64	24	5	58	39	47
58	Long-term, reported by U.S. banks.....	2	24	12	14	10	6	-1	71	173	72	-26	51
59	Long-term liabilities to foreign official agencies reported by U.S. banks.....					26	44	16	64	-21	-29	-16	28
60	Nonliquid liabilities reported by U.S. Government:												
61	To foreign official reserve agencies.....	26	-88	-104	22	-63	-14	194	22	-8	-8	-8	145
62	To other official and private foreigners.....	31	136	178	188	138	37	32	122	28	171	-2	-138
63	U.S. liquid liabilities:												
64	To private foreigners.....	104	261	-20	205	14	263	432	385	-7	-7	538	-363
65	To foreign official agencies.....	927	991	-32	-113	382	169	17	687	-96	-214	-47	338
66	Transactions in U.S. official reserve assets, net.....	32	133	237	-5	-58	302	54	-154	842	88	41	271
67	Gold.....	111	116	106	38	40	-78	-20	172	832	500	124	119
68	SDR.....	-33	5	-28	-58	-228	258	-46	-206	-46	-58	-413	176
69	Convertible currencies.....	-40	1	59	15	131	118	135	-118	68	-608	380	-20
70	Gold tranche position in IMF.....												
71	Allocations of special drawing rights (SDR).....												
72	Errors and omissions, net.....	-106	-126	-387	174	-328	-184	-271	-292	28	-98	-438	-9

3. Excludes exports of goods under U.S. military agency sales contracts identified in Census export documents, and imports of goods included under direct defense expenditures identified in Census import documents, and reflects various other balance-of-payments adjustments (for valuation, coverage, and timing) to Census statistics.

4. Excludes reinvested earnings of foreign incorporated subsidiaries of U.S. firms or of U.S. incorporated subsidiaries of foreign firms.

5. Includes sales of foreign obligations to foreigners.

6. Coverage of liquid banking claims for 1960-63 and of liquid nonbanking claims for 1960-63 is limited to foreign currency deposits only; other liquid items are not available separately and are included with nonliquid claims.

NOTE: Details may not add to totals because of rounding.

SOURCE: U.S. Department of Commerce, Office of Business.